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, 2025

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, 2025, together with comparative figures for the six months ended June 30, 2024.

FINANCIAL HIGHLIGHTS

	Six months ended June 30,		Period to
	2025	2024	period change
	RMB'000	*RMB'000*	
	(Unaudited)	(Unaudited)	
Revenue	**481,969**	365,990	31.7%
Gross profit	**343,109**	260,913	31.5%
Gross profit margin	**71.2%**	71.3%	-0.1%
Profit for the period	**121,199**	68,865	76.0%
Add:			
Share-based compensation	**10,171**	9,306	9.3%
Non-IFRS adjusted net profit for the period[(1)]	**131,370**	78,171	68.1%

(1) The Company presents adjusted net profit for the period by taking out share-based compensation expenses from profit for the period. Such adjusted net profit 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

In the first half of 2025, we continued our dedication to enhancing the accessibility of medical care, innovating for quality life, and steadily advancing our core capabilities in product research and development, production and commercialization.

During the Reporting Period, we achieved a revenue of RMB482.0 million, representing an increase of 31.7% as compared to RMB366.0 million in the first half of 2024. 63.3% of our interventional products revenue was derived from the neurovascular interventional products business and 36.7% was derived from the peripheral vascular interventional products business. The significant growth of our revenue was primarily attributable to the high sales growth of both neurovascular and peripheral vascular interventional devices segments.

The revenue from sales of neurovascular interventional products in the first half of 2025 grew by 25.0% as compared to the first half of 2024, primarily because of (i) the substantial revenue growth from our key established products, such as SilverSnake Intracranial Intermediate Catheter Series, Phoenix Neurovascular Embolization Coil and Neurovascular Guidewire; (ii) the nationwide launch of relatively new products, such as the Kylin Flow Diverter, following the mass central procurement by hospitals; and (iii) our continuous effort to increase product penetration at different level of hospitals.

The revenue from sales of peripheral vascular interventional products in the first half of 2025 grew by 46.2% as compared to the first half of 2024, primarily because of (i) the rapid growth of sales revenue of our established UltraFree Drug Coated PTA Balloon Catheter (UltraFree DCB), Octoplus Vena Cava Filter, Snare Retrieval Kit for IVC Filter and Swan Endovenous Radiofrequency Ablation (RFA) Catheter by our ongoing efforts to expand market access, increase hospital penetration and expand distribution network; and (ii) the commercial launch on nation-wide level of our relatively new product portfolio, including Phoenix Peripheral Detachable Fibrous Coil Embolization System and Penguin Peripheral Venous Stent System and Unicorn Suture-mediated Closure System.

In line with our strategic objectives, we focused on enhancing operational efficiency while driving organic revenue growth. In the first half of 2025, we achieved an IFRS net profit of RMB121.2 million, representing an increase of 76.0% as compared to the first half of 2024; and our non-IFRS net profit adjusted by taking out share-based compensation expenses rose by 68.1% to RMB131.4 million, as compared to a non-IFRS net profit of RMB78.2 million in the first half of 2024.

1. Continue strong growth by leveraging a comprehensive and high-quality product portfolio and our strong sales and marketing capability

In the first half of 2025, we continued to experience rapid growth despite numerous industry challenges. We achieved a growth rate of 31.7% in terms of revenue during the first half of 2025, primarily driven by our product portfolio and the consistently high quality of our products recognized by clinicians. Currently, we have 50 products available on the Chinese market, solidifying our leadership in neurovascular and peripheral vascular interventional medical device industry. In less than five years since the launch of one of our major products in late 2020, we have established an extensive distribution network covering over 3,000 hospitals, with more than 1,000,000 medical devices being used clinically. Through our professional sales and marketing teams, we have established extensive and strong trust with physicians, continuously enhancing our clinical recognition, which efficiently translates our robust R&D capabilities into commercialization success.

Over the past nearly five years, we have leveraged our high-quality product portfolio to build a top-tier market sales team in China. Our market sales team has successfully launched many key products in the Chinese market. Through market activities focused on clinical outcomes, we have earned strong recognition among Chinese physicians for our products. This has enabled our products to rapidly penetrate clinical practice, transitioning swiftly from approval to widespread use, reaching patients in need across every corner of China.

2. Propel international market for long term growth

According to market research data from MarketsandMarkets and Grand View Research, the global peripheral interventional market is worth approximately US$10 billion, of which the Chinese market accounts for approximately 12% to 15%; and the global neurointerventional market is worth approximately US$7 billion, of which the Chinese market accounts for approximately 15% to 20%. This shows that there are huge opportunities in the international market. We are currently making every effort to expand overseas markets and accelerate our global layout.

In the first half of 2025, we achieved another great success for international business with a revenue of RMB15.7 million, representing 36.9% growth over the same period in 2024 primarily from Europe and Asian regions. Currently, both peripheral interventional products and neurointerventional products have covered seven of the world's top 10 markets.

We are currently marketing total 22 products in 27 overseas countries/regions. We are continuing to deepen our presence in the European market by further penetrating markets such as France, Germany and Italy, and are also exploring emerging markets such as Brazil, India and South Africa, in a bid to achieve faster growth. We are actively engaging in discussions with local partners. We have established strategic cooperation with more than 60 local partners, and our channels cover 52 countries and regions around the world. These collaborations will enable us to leverage our high-quality product portfolio and manufacturing expertise to capture greater market share in the globe.

Meanwhile, we prioritized enhancing our quality recognition by actively conducting post-marketing clinical follow-up trials for CE-marked products in Europe. This initiative is crucial for demonstrating the clinical value of our products overseas, further obtaining EU MDR certification, and consistently serving international patients. Through these clinical research, we further highlighted our high-quality products and strengthened our brand recognition on a global stage. Our products have been recognized and supported by more and more top overseas hospital groups, including Asklepios and SANA.

In addition, we are in the process to registering more than 31 products in more than 23 countries/regions.

3. Continue advancing innovation and strengthening our pipeline

Over the past few years, we have continuously improved our product portfolio for neurological and peripheral vascular intervention while continuously seeking innovative solutions to meet unmet clinical needs. By leveraging our robust R&D expertise and integrated technology platforms, we made significant progress in the first half of 2025 on several critical innovative projects:

— ***Mammoth Large Lumen Peripheral Thrombus Aspiration Catheter***

Our large lumen peripheral thrombus aspiration catheter is mainly used to treat deep vein thrombosis. It is currently the only 12F-18F large-caliber aspiration catheter in China, with a unique trumpet design and high aspiration efficiency, and it adopts negative pressure control through the handle, is safe and convenient to operate. Data shows that the number of deep vein thrombosis cases in China is expected to increase from 1.5 million cases in 2019 to 3.3 million cases in 2030, of which, nearly 50% are thrombosis occurring in the proximal deep vein system of the lower limbs, with a high thrombus load. It is expected to be approved and commercialized in the third quarter of 2025.

— ***OCT-guided Peripheral Vascular Targeted Atherectomy Catheter Series***

The Pantheris catheter, combined with the LightBox 3 OCT imaging console, is the world's first and only device for targeted atherectomy with real-time imaging capabilities. Evidence shows that the combination of vascular reduction device and DCB results in better clinical efficacy results. The vascular reduction device can be used in conjunction with multiple of our peripheral arterial disease treatment products, including drug-coated balloons, high-pressure balloons and multiple arterial stents, to achieve a comprehensive treatment plan. LightBox 3 OCT provides a real-time image engine that allows physicians to see the internal tissue of the artery during arteriovenous plaque resection or CTO opening surgery, better assisting the surgeon in completing precise atherectomy. Moreover, we are using artificial intelligence technology to enhance the product's real-time imaging analysis, improve treatment precision, and customize personalized treatment plans. Such product line is expected to be approved and commercialized in 2025.

— ***Self-expandable Aneurysm Embolization Device***

As an innovative device for wide-necked bifurcation aneurysms, the self-expandable aneurysm embolization device combines the advantages of spring coils and blood flow diversion devices, and uses a nickel-titanium alloy mesh sphere design to achieve minimally invasive and efficient treatment without the need for long-term antiplatelet therapy. Bifurcation aneurysms account for 40% to 60% of intracranial aneurysms and are extremely challenging to treat. Similar products are a blue ocean market in China, and currently only one foreign-funded product has been approved. It is expected to be approved and commercialized as early as 2027.

4. Continue to focus on operating efficiency and profitability

In the first half of 2025, we recorded a net profit of RMB121.2 million despite our continuous investment into research and development and talents.

As we continue to refine our comprehensive product portfolio strategy, the advantages of our product portfolio are becoming increasingly robust. Despite the ongoing centralized procurement processes, our gross profit margin has remained relatively stable, holding at 71.2% in the first half of 2025. This stability is attributable to continuous optimization of our production and supply chain, including increased automation, improved yield rates, and enhanced capacity utilization.

Our selling and distribution expenses as a percentage of total revenue has decreased as our team and sales network have strengthened, dropping from 21.9% in the first half of 2024 to 17.7% in the first half of 2025.

Our R&D expenses for the first half of 2025 were RMB121.6 million, an increase of 19.7% from RMB101.5 million in the first half of 2024. This increase is primarily due to more of our products reaching the market, though we have also added more innovative products to the pipeline. Overall, these factors have resulted in an increase of our R&D expenses compared to the past.

INTERIM RESULTS

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED JUNE 30, 2025

		Six months ended June 30,	
		2025	2024
	Note	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited)
Revenue	4	**481,969**	365,990
Cost of sales		**(138,860)**	(105,077)
Gross profit		**343,109**	260,913
Selling and distribution expenses		**(85,301)**	(79,982)
Administrative expenses		**(55,906)**	(43,591)
Research and development expenses		**(121,596)**	(101,542)
Other income		**20,896**	10,642
Other expenses		**(605)**	(614)
Other losses — net		**(6,234)**	(9,211)
Net impairment losses on financial assets		**(283)**	(16)
Finance income — net		**27,119**	33,364
Share of net loss of an associate accounted for using the equity method		**—**	(1,098)
Profit before income tax		**121,199**	68,865
Income tax expense	5	**—**	—
Profit and total comprehensive income for the period attributable to the equity holders of the Company		**121,199**	68,865
Earnings per share attributable to the equity holders of the Company			
Basic earnings per share (in RMB per share)	6(a)	**0.38**	0.21
Diluted earnings per share (in RMB per share)	6(b)	**0.37**	0.21

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

AS AT JUNE 30, 2025

	Note	**As at June 30, 2025** ***RMB'000*** **(Unaudited)**	As at December 31, 2024 *RMB'000* (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**632,964**	628,253
Right-of-use assets		**37,126**	37,251
Intangible assets		**30,328**	28,010
Prepayments and other receivables	7	**17,069**	3,305
Financial assets at fair value through profit or loss		**117,793**	104,835
Term deposits		**798,250**	1,121,861
Total non-current assets		**1,633,530**	1,923,515
Current assets			
Inventories		**196,968**	205,476
Prepayments, other receivables and other current assets	7	**48,772**	39,140
Trade receivables	8	**2,384**	1,539
Financial assets at fair value through profit or loss		**40,000**	60,539
Term deposits		**1,109,883**	804,243
Cash and cash equivalents		**465,095**	418,108
Total current assets		**1,863,102**	1,529,045
Total assets		**3,496,632**	3,452,560
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital		**330,182**	330,182
Share premium		**2,147,782**	2,090,531
Other reserves		**629,580**	715,713
Treasury shares		**(107,157)**	(100,699)
Retained earnings		**154,276**	65,277
Total equity		**3,154,663**	3,101,004

	Note	**As at June 30, 2025** ***RMB'000*** **(Unaudited)**	As at December 31, 2024 *RMB'000* (Audited)
Liabilities			
Non-current liabilities			
Deferred revenue		**16,837**	15,885
Lease liabilities		**2,104**	1,502
Total non-current liabilities		**18,941**	17,387
Current liabilities			
Borrowings		**79,000**	87,000
Trade and other payables	9	**200,116**	217,498
Contract liabilities	4	**28,275**	16,860
Lease liabilities		**2,016**	2,404
Other current liabilities		**13,621**	10,407
Total current liabilities		**323,028**	334,169
Total liabilities		**341,969**	351,556
Total equity and liabilities		**3,496,632**	3,452,560

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

FOR THE SIX MONTHS ENDED JUNE 30, 2025

1 General information

Zylox-Tonbridge Medical Technology Co., Ltd. (the "**Company**", or "**Zylox-Tonbridge Medical**") was incorporated in Hangzhou, Zhejiang Province of the People's Republic of China (the "**PRC**") on November 6, 2012 as a limited liability company. The Company's shares were listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on July 5, 2021.

The Company and its subsidiaries (together, the "**Group**") provide solutions to patients and physicians with the product portfolio covering peripheral vascular interventional devices and neurovascular interventional devices in the PRC and other countries.

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 19, 2025.

2 Basis of preparation

This interim condensed consolidated financial information for the six months ended June 30, 2025 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 statements of the Group for the year ended December 31, 2024, which have been prepared in accordance with IFRS accounting standards and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622. The condensed consolidated financial information has been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss, which are carried at fair value.

3 Accounting policies

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 Group has applied the following standards and amendments for the first time for its annual reporting period commencing January 1, 2025:

- Lack of Exchangeability — Amendments to IAS 21.

The amendments listed above do not have material impact on the amounts recognized in prior periods or for the current period.

(b) New standards, amendments to accounting standards and interpretations not yet adopted

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for June 30, 2025 reporting periods and have not been early adopted by the Group are as follows:

	New standards, amendments	**Effective for annual periods beginning on or after**
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	January 1, 2026
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity	January 1, 2026
Annual Improvements	Annual Improvements to IFRS Accounting Standards–Volume 11	January 1, 2026
IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

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 (the "**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 sales of neurovascular and peripheral vascular interventional devices during the six months ended June 30, 2025 and June 30, 2024.

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

	Six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
At a point in time		
— Revenue from sales of goods	**480,872**	364,145
— Others	**1,097**	1,845
	481,969	365,990

	Six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from sales of goods		
— Neurovascular interventional devices	**304,463**	243,510
— Peripheral vascular interventional devices	**176,409**	120,635
	480,872	364,145

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

	As at June 30, 2025	As at December 31, 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Contract liabilities	**28,275**	16,860

Contract liabilities represent advance from customers and are recognized when payments are received before the transfer of goods. Management expects that the transaction price allocated to the unsatisfied contracts as at June 30, 2025 and December 31, 2024 will be recognized as revenue within one year.

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

	Six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from sales of goods	**16,860**	19,922

(e) Geographical information

	Six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
The PRC	**466,246**	354,505
Others	**15,723**	11,485
	481,969	365,990

The geographical information above is based on the locations of the customers.

5 Income tax expense

	Six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current income tax expense	**—**	—
Deferred income tax expense	**—**	—
	—	—

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 and its subsidiary, Ton-Bridge Medical Technology Co., Ltd. ("**Ton-Bridge Medical Technology**"). The Company and Ton-Bridge Medical Technology were accredited as "High and New Technology Enterprise" ("**High-New Tech Enterprise**") and are eligible for a corporate income tax rate of 15% for the six months ended June 30, 2025.

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. Pursuant to the relevant regulations on extending the expiry date of tax losses of High-New Tech Enterprise, the expiry date of the unused tax losses of the Company and Ton-Bridge Medical Technology extended from 5 years to 10 years.

(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, 2025.

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 Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit of the Group attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the six months ended June 30, 2025 excluding treasury shares.

	Six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
Profit attributable to equity holders of the Company *(RMB'000)*	**121,199**	68,865
Weighted average number of ordinary shares in issue *(thousand)*	**319,676**	324,078
Basic earnings per share *(RMB per share)*	**0.38**	0.21

(b) Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

The share options and awarded shares granted under Pre-IPO Share Option Scheme and H Share Scheme by the Company have potential dilutive effect on earnings per share. A calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the Company's shares) based on the monetary value of the rights attached to outstanding shares under Pre-IPO Share Option Scheme and H Share Scheme. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the vesting of outstanding shares under Pre-IPO Share Option Scheme and H Share Scheme.

The calculation of the diluted earnings per share for the six months ended June 30,2025 and 2024 is shown as follows:

	Six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
Profit attributable to equity holders of the Company *(RMB'000)*	**121,199**	68,865
Weighted average number of ordinary shares in issue *(thousand)*	**319,676**	324,078
Adjustments for share-based awards *(thousand)*	**5,653**	3,555
Weighted average number of ordinary shares for diluted earnings per share *(thousand)*	**325,329**	327,633
Diluted earnings per share *(RMB per share)*	**0.37**	0.21

7 Prepayments, other receivables and other current assets

	As at June 30, 2025 *RMB'000* (Unaudited)	As at December 31, 2024 *RMB'000* (Audited)
Included in non-current assets		
Prepayments:		
Prepayments for purchase of property, plant and equipment	**6,224**	2,971
Prepayments for purchase of intangible assets	**10,295**	—
Other receivables:		
Deposits for leases	**550**	334
Total	**17,069**	3,305
Included in current assets		
Prepayments:		
Prepayments for purchase of goods	**14,727**	18,266
Prepayments for purchase of service	**7,507**	5,150
Other receivables:		
Receivables related to the exercise of share-based awards	**9,691**	1,849
Rental related receivable	**2,090**	1,962
Deposits for industrial land project performance guarantee and leases	**638**	1,180
Others	**3,965**	1,280
Less: loss allowance	**(365)**	(90)
Others:		
Value-added tax recoverable	**10,519**	9,543
Total	**48,772**	39,140

8 Trade receivables

	As at June 30, 2025 ***RMB'000*** **(Unaudited)**	As at December 31, 2024 *RMB'000* (Audited)
Trade receivables from contracts with customers	**2,406**	1,553
Less: loss allowance	**(22)**	(14)
	2,384	1,539

(a) 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 at June 30, 2025 and December 31, 2024, the ageing analysis of the trade receivables based on invoice date was as follows:

	As at June 30, 2025 ***RMB'000*** **(Unaudited)**	As at December 31, 2024 *RMB'000* (Audited)
Up to 3 months	**2,406**	1,553

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 at June 30, 2025, a provision of RMB22,000 made against the gross amounts of trade receivables (December 31, 2024: RMB14,000).

9 Trade and other payables

	As at June 30, 2025 *RMB'000* (Unaudited)	As at December 31, 2024 *RMB'000* (Audited)
Trade payables *(a)*	**48,606**	59,045
Staff salaries and welfare payables	**68,813**	67,383
Payables for purchase of property, plant and equipment	**61,257**	74,911
Accrued taxes other than income tax	**11,568**	4,679
Payables to suppliers of service	**8,290**	10,324
Others	**1,582**	1,156
	200,116	217,498

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

	As at June 30, 2025 *RMB'000* (Unaudited)	As at December 31, 2024 *RMB'000* (Audited)
Within 1 year	**48,606**	59,045

10 Dividend

A final dividend in respect of the year ended December 31, 2024 of RMB0.10 per share (2023: nil) was proposed pursuant to a resolution passed by the Board on April 25, 2025 and approved by the shareholders at the annual general meeting of the Company held on May 30, 2025. Such dividend amounted to RMB32,200,000 was paid during the six months ended June 30, 2025.

The Board did not pay or declare any interim dividend for the six months ended June 30, 2025 and 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

I. BUSINESS REVIEW

Overview

We are a leading player in the neuro-and peripheral vascular interventional devices 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 HIGHLIGHTS

In the first half of 2025, we continued our dedication to enhancing the accessibility of medical care, innovating for quality life, and steadily advancing our core capabilities in product research and development, production and commercialization.

During the Reporting Period, we achieved a revenue of RMB482.0 million, representing an increase of 31.7% as compared to RMB366.0 million in the first half of 2024. 63.3% of our interventional products revenue was derived from the neurovascular interventional products business and 36.7% was derived from the peripheral vascular interventional products business. The significant growth of our revenue was primarily attributable to the high sales growth of both neurovascular and peripheral vascular interventional devices segments.

The revenue from sales of neurovascular interventional products in the first half of 2025 grew by 25.0% as compared to the first half of 2024, primarily because of (i) the substantial revenue growth from our key established products, such as SilverSnake Intracranial Intermediate Catheter Series, Phoenix Neurovascular Embolization Coil and Neurovascular Guidewire; (ii) the nationwide launch of relatively new products, such as the Kylin Flow Diverter, following the mass central procurement by hospitals; and (iii) our continuous effort to increase product penetration at different level of hospitals.

The revenue from sales of peripheral vascular interventional products in the first half of 2025 grew by 46.2% as compared to the first half of 2024, primarily because of (i) the rapid growth of sales revenue of our established UltraFree Drug Coated PTA Balloon Catheter (UltraFree DCB), Octoplus Vena Cava Filter, Snare Retrieval Kit for IVC Filter and Swan Endovenous Radiofrequency Ablation (RFA) Catheter by our ongoing efforts to expand market access, increase hospital penetration and expand distribution network; and (ii) the commercial launch on nation-wide level of our relatively new product portfolio, including Phoenix Peripheral Detachable Fibrous Coil Embolization System and Penguin Peripheral Venous Stent System and Unicorn Suture-mediated Closure System.

In line with our strategic objectives, we focused on enhancing operational efficiency while driving organic revenue growth. In the first half of 2025, we achieved an IFRS net profit of RMB121.2 million, representing an increase of 76.0% as compared to the first half of 2024; and our non-IFRS net profit adjusted by taking out share-based compensation expenses rose by 68.1% to RMB131.4 million, as compared to a non-IFRS net profit of RMB78.2 million in the first half of 2024.

1. Continue strong growth by leveraging a comprehensive and high-quality product portfolio and our strong sales and marketing capability

In the first half of 2025, we continued to experience rapid growth despite numerous industry challenges. We achieved a growth rate of 31.7% in terms of revenue during the first half of 2025, primarily driven by our product portfolio and the consistently high quality of our products recognized by clinicians. Currently, we have 50 products available on the Chinese market, solidifying our leadership in neurovascular and peripheral vascular interventional medical device industry. In less than five years since the launch of one of our major products in late 2020, we have established an extensive distribution network covering over 3,000 hospitals, with more than 1,000,000 medical devices being used clinically. Through our professional sales and marketing teams, we have established extensive and strong trust with physicians, continuously enhancing our clinical recognition, which efficiently translates our robust R&D capabilities into commercialization success.

Over the past nearly five years, we have leveraged our high-quality product portfolio to build a top-tier market sales team in China. Our market sales team has successfully launched many key products in the Chinese market. Through market activities focused on clinical outcomes, we have earned strong recognition among Chinese physicians for our products. This has enabled our products to rapidly penetrate clinical practice, transitioning swiftly from approval to widespread use, reaching patients in need across every corner of China.

2. Propel international market for long term growth

According to market research data from MarketsandMarkets and Grand View Research, the global peripheral interventional market is worth approximately US$10 billion, of which the Chinese market accounts for approximately 12% to 15%; and the global neurointerventional market is worth approximately US$7 billion, of which the Chinese market accounts for approximately 15% to 20%. This shows that there are huge opportunities in the international market. We are currently making every effort to expand overseas markets and accelerate our global layout.

In the first half of 2025, we achieved another great success for international business with a revenue of RMB15.7 million, representing 36.9% growth over the same period in 2024 primarily from Europe and Asian regions. Currently, both peripheral interventional products and neurointerventional products have covered seven of the world's top 10 markets.

We are currently marketing total 22 products in 27 overseas countries/regions. We are continuing to deepen our presence in the European market by further penetrating markets such as France, Germany and Italy, and are also exploring emerging markets such as Brazil, India and South Africa, in a bid to achieve faster growth. We are actively engaging in discussions with local partners. We have established strategic cooperation with more than 60 local partners, and our channels cover 52 countries and regions around the world. These collaborations will enable us to leverage our high-quality product portfolio and manufacturing expertise to capture greater market share in the globe.

Meanwhile, we prioritized enhancing our quality recognition by actively conducting post-marketing clinical follow-up trials for CE-marked products in Europe. This initiative is crucial for demonstrating the clinical value of our products overseas, further obtaining EU MDR certification, and consistently serving international patients. Through these clinical research, we further highlighted our high-quality products and strengthened our brand recognition on a global stage. Our products have been recognized and supported by more and more top overseas hospital groups, including Asklepios and SANA.

In addition, we are in the process to registering more than 31 products in more than 23 countries/regions.

3. Continue advancing innovation and strengthening our pipeline

Over the past few years, we have continuously improved our product portfolio for neurological and peripheral vascular intervention while continuously seeking innovative solutions to meet unmet clinical needs. By leveraging our robust R&D expertise and integrated technology platforms, we made significant progress in the first half of 2025 on several critical innovative projects:

— ***Mammoth Large Lumen Peripheral Thrombus Aspiration Catheter***

Our large lumen peripheral thrombus aspiration catheter is mainly used to treat deep vein thrombosis. It is currently the only 12F-18F large-caliber aspiration catheter in China, with a unique trumpet design and high aspiration efficiency, and it adopts negative pressure control through the handle, is safe and convenient to operate. Data shows that the number of deep vein thrombosis cases in China is expected to increase from 1.5 million cases in 2019 to 3.3 million cases in 2030, of which, nearly 50% are thrombosis occurring in the proximal deep vein system of the lower limbs, with a high thrombus load. It is expected to be approved and commercialized in the third quarter of 2025.

— ***OCT-guided Peripheral Vascular Targeted Atherectomy Catheter Series***

The Pantheris catheter, combined with the LightBox 3 OCT imaging console, is the world's first and only device for targeted atherectomy with real-time imaging capabilities. Evidence shows that the combination of vascular reduction device and DCB results in better clinical efficacy results. The vascular reduction device can be used in conjunction with multiple of our peripheral arterial disease treatment products, including drug-coated balloons, high-pressure balloons and multiple arterial stents, to achieve a comprehensive treatment plan. LightBox 3 OCT provides a real-time image engine that allows physicians to see the internal tissue of the artery during arteriovenous plaque resection or CTO opening surgery, better assisting the surgeon in completing precise atherectomy. Moreover, we are using artificial intelligence technology to enhance the product's real-time imaging analysis, improve treatment precision, and customize personalized treatment plans. Such product line is expected to be approved and commercialized in 2025.

— ***Self-expandable Aneurysm Embolization Device***

As an innovative device for wide-necked bifurcation aneurysms, the self-expandable aneurysm embolization device combines the advantages of spring coils and blood flow diversion devices, and uses a nickel-titanium alloy mesh sphere design to achieve minimally invasive and efficient treatment without the need for long-term antiplatelet therapy. Bifurcation aneurysms account for 40% to 60% of intracranial aneurysms and are extremely challenging to treat. Similar products are a blue ocean market in China, and currently only one foreign-funded product has been approved. It is expected to be approved and commercialized as early as 2027.

4. Continue to focus on operating efficiency and profitability

In the first half of 2025, we recorded a net profit of RMB121.2 million despite our continuous investment into research and development and talents.

As we continue to refine our comprehensive product portfolio strategy, the advantages of our product portfolio are becoming increasingly robust. Despite the ongoing centralized procurement processes, our gross profit margin has remained relatively stable, holding at 71.2% in the first half of 2025. This stability is attributable to continuous optimization of our production and supply chain, including increased automation, improved yield rates, and enhanced capacity utilization.

Our selling and distribution expenses as a percentage of total revenue has decreased as our team and sales network have strengthened, dropping from 21.9% in the first half of 2024 to 17.7% in the first half of 2025.

Our R&D expenses for the first half of 2025 were RMB121.6 million, an increase of 19.7% from RMB101.5 million in the first half of 2024. This increase is primarily due to more of our products reaching the market, though we have also added more innovative products to the pipeline. Overall, these factors have resulted in an increase of our R&D expenses compared to the past.

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 medical devices. As at the date of this announcement, we have strategically deployed a total of 73 products and product candidates. As of the date of this announcement, the Company has a total of 50 products commercially launched in China, eight products granted CE Mark in the European Economic Area, five products approved in the United Arab Emirates (UAE), and a number of products granted marketing approval in overseas countries including Germany and the U.K., etc.

The following chart sets forth our commercially launched products and expected commercial launch year of our product candidates in the Chinese market as at the date of this announcement:

Product Portfolio for Neurovascular Interventional, Peripheral Vascular Interventional and Vascular Closure Devices in the Chinese Market

			Key Products - Expected Commercial Launch Year		
	Breakdown by Category	**Commercially Launched**	**2025**	**2026**	**2027**
Neurovascular Interventional	Intracranial Ischemic Stroke	• Thrombite Clot Retriever Device (CRD) • Clot Retriever Device ll • SilverSnake Intracranial Support Catheter • Dayu Balloon Guiding Catheter (BGC) • Neurovascular Balloon Guiding Catheter • Aspiration Catheter • Aspiration Pump System			
	Intracranial Stenosis	• White Horse Intracranial PTA Balloon Catheter (Rx) • Microcatheter for Intracranial Stent • Second Generation Intracranial PTA Balloon Catheter (Rx)		• Intracranial Stent	• Drug Coated Self-expandable Intracranial Stent
	Intracranial Hemorrhagic Stroke	• Phoenix Neurovascular Embolization Coil • Mechanical Detachable Coil ll • Kylin Flow Diverter • Kylin II Flow Diverter • Microcatheter for Coiling • Microcatheter for Flow Diverter	• Self-expandable Intracranial Stent (Embolization Assist Stent)	• Liquid Embolic System • Coated Flow Diverter	• Self-expandable Aneurysm Embolization Device
	Intracranial Access	• Microcatheter for Clot Retriever • SilverSnake DA Distal Access Catheter • SilverSnake Standard Intracranial Support Catheter • Beidou SS Neurovascular Guidewire • Intermediate Catheter • Xuanwu Introducer Sheath • SilverSnake Radial Access Distal Support Catheter		• Adjustable Microcatheter	
	Carotid Artery Stenosis	• Carotid Rx PTA Balloon Catheter • Embolic Protection System			• Carotid Stent

	Breakdown by Category	Commercially Launched	Key Products - Expected Commercial Launch Year		
			2025	2026	2027
Peripheral Vascular Interventional	Arterial	• UltraFree Drug-Coated PTA Balloon Catheter (UltraFree DCB) • UberVana Drug-Coated PTA Balloon Catheter • ZENFLOW PTA Balloon Catheter • ZENFLOW Second Generation PTA Balloon Catheter • Boa Snare Kit • ZENFLOW T Peripheral Balloon Dilatation Catheter (Tapered Balloon) • ZENFLOW Pufferfish Scoring Balloon Catheter • ZENFLOW L Peripheral Balloon Dilatation Catheter (Long Balloon)	• Drug Coated PTA Balloon Catheter-BTK • Pantheris OCT-guided Peripheral vascular Atherectomy Catheter Series • LightBox 3 OCT Imagining Consoles	• Tigereye ST OCT-guided Peripheral vascular Chronic Total Occlusion-crossing Catheter • IVL System • Cutting Balloon • Specialized Balloon	• Balloon Expandable Covered Stent • Multi-spot Stent System
	Venous	• Swan Endovenous Radiofrequency Ablation (RFA) Catheter • Swan RFI Radiofrequency Ablation Generator • Octoplus Vena Cava Filter • Snare Retrieval Kit for IVC Filter • Penguin Peripheral Venous Stent System • ZENFLOW Tiger Large Diameter PTA Balloon Catheter • Whale Peripheral Vascular Perfusion Catheter • Eagle Aspiration System	• Mammoth Large Lumen Peripheral Thrombus Aspiration Catheter		• Thrombectomy Device
	Hemodialysis Access	• ZENFLOW HP PTA High Pressure Balloon Catheter • ZENFLOW HP PTA Second Generation High Pressure Balloon Catheter		• Ultra High Pressure Balloon Catheter	
	Peripheral Embolization Intervention and Others	• Phoenix Peripheral Detachable Fibrous Coil Embolization System • Pelican Transjugular Intranhepatic Access Set • Peripheral Hydrophilic Guidewires Series		• Peripherally Fully Controllable Embolization System with Fiber Wool Coils	
Vascular Closure Devices		• Unicorn Suture-mediated Closure System • Balloon Vascular Closure Device			

We are applying for registration of more than 31 products in more than 23 countries/regions, and the following chart sets forth our products approved in overseas markets as of the date of this announcement:

Product Portfolio for Overseas Market

	Product	Approved Region
Neurovascular Interventional	Thrombite Clot Retriever Device	EU, U.K., Turkey, South Africa, Argentina
	Cylone Aspiration Catheter	EU, U.K., Turkey, South Africa, Argentina, Kazakhstan, Taiwan
	Glycine Micro Catheter	EU, U.K., South Africa, Argentina, Turkey, Kazakhstan, Ecuador
	Gekko Detachable Coil System	Ecuador, Taiwan
	MicroRAD Micro Catheter	Ecuador
	Kylin Flow Diverter	Ecuador
	AspirePulse Aspiration Pump System	Kazakhstan
	Zephyr Micro Catheter	Ecuador
Peripheral Vascular Interventional	ZENFluxion Drug-Coated PTA Balloon Catheter	EU, Turkey, Argentina, U.K., United Arab Emirates (UAE), Ukraine
	ZENFlow PTA Balloon Catheter	EU, Turkey, Argentina, U.K., UAE, Azerbaijan
	ZENFlow HP High Pressure PTA Balloon Catheter	EU, Turkey, Argentina, U.K., UAE
	ZENFlex Peripheral Stent System	EU, Turkey, Argentina, U.K., UAE, Azerbaijan, Ukraine
	ZENFLEX Pro Peripheral Drug-eluting Stent System	EU, Argentina, U.K., UAE, Turkey, Ukraine, South Africa
	ZENFlow Tiger LD PTA Dilatation Catheter	Brazil
	ZENFLOW II PTA Balloon Catheter	Brazil, Ukraine, Saudi Arabia
	ZENFLOW II HP High Pressure PTA Balloon Catheter	Brazil, Ukraine, Saudi Arabia
	Unicorn Vascular Closure System	Indonesia
	Phoenix Peripheral Fibered Detachable Coil Occlusion System	Ecuador

Our Neurovascular Interventional Products

Our current neurovascular interventional product portfolio covers a full suite of products for five major categories, namely intracranial ischemic stroke, intracranial stenosis, intracranial hemorrhagic stroke, intracranial access and carotid artery stenosis. As at the date of this announcement, we have 26 neurovascular interventional products approved by the NMPA. We expect to have eight more neurovascular interventional products approved by the NMPA by the end of 2027.

Products Launched

Intracranial Ischemic Stroke Treatment

In the field of ischemic neurovascular diseases, in particular intracranial ischemic stroke, we have seven product offerings, among which we have launched Thrombite CRD, SilverSnake intracranial support catheter and balloon guiding catheter (BGC) successfully as a complete three-piece solution for physicians. 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) with clot-retrieval modality.

Thrombite Clot Retriever Device (Thrombite CRD)

We are improving the adoption of Thrombite CRD by introducing the holistic three-piece treatment solution 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.

Intracranial Hemorrhagic Stroke Treatment

In the field of intracranial hemorrhagic stroke, we have ten product offerings, among which we have launched three therapeutic products, namely, Phoenix Neurovascular Embolization Coils, Mechanical Detachable Coil II and Kylin Flow Diverter.

Phoenix Neurovascular Embolization Coil

Our Phoenix coil is extra soft and imposes minimal pressure to the aneurysm wall, thus reducing the risk of aneurysm rupture or other injury. Leveraging our unique mechanical detachment mechanism, our neurovascular embolization coil is also easier to be detached from the delivery system.

Mechanical Detachable Coil II (Second Generation Neurovascular Embolization Coil)

We have upgraded our neurovascular embolization coil to improve their basket-forming performance. The second-generation neurovascular embolization coils come in more specifications and sizes, offering more options for physicians when dealing with intracranial aneurysms of different sizes.

Kylin Flow Diverter (Generation I and Generation II)

Kylin Flow Diverter is a visualized distal closure dense braided stent, which is made of nitinol-wrapped platinum material to achieve full visualization, with the closure design on the distal end. Compared with similar products in the market, it features better adherence and visualization performance, thereby improving the visibility and safety during operations. At the same time, its more comprehensive product specifications can meet the needs of different lesions in clinical treatment. At present, we have expanded the indications scope of the product, and Kylin II Blood Flow Guiding Device has been approved by the NMPA in March 2025. We are in the process of accelerating the commercialization of these two products in China.

Balloon Vascular Closure Device

The balloon vascular closure device is a product used to occlude bleeding at puncture points after vascular interventional surgery. It uses unique balloon technology to achieve temporary hemostasis during surgery, reduce bleeding, and achieve precise positioning through the balloon catheter to reduce vascular irritation. The product also uses a new plug material, with the tip actively adhering to the blood vessel wall to achieve faster hemostasis. It has full-size product models that can be used in all scenarios of transfemoral surgery.

This is the second product of the Company's vascular closure business approved for marketing. This product is expected to form a combination with Unicorn Suture-mediated Closure System to further enrich the Company's vascular closure business product matrix and bring more comprehensive and efficient solutions to clinical practice.

Future Key Products

Embolization Assist Stent (Self-expandable Intracranial Stent)

Embolization Assist Stent is often used in combination with a coil for the surgical treatment of complex intracranial aneurysms and wide-necked aneurysms. Clinically, the use of coil embolization alone may result in thromboembolism from time to time due to protrusion of the coil into the aneurysm-carrying artery or escape, while the use of Embolization Assist Stent may lead to a higher long-term embolization success rate and a lower recurrence rate.

Our stent features full-body radiopacity with nickel-titanium wrapped in platinum, making each filament visible under imaging. It has three radiopaque markers at both the proximal and distal ends, allowing surgeons to better assess the stent's deployment status. The stent's diverse filament count, lightweight design, and ease of opening and adherence ensure smooth deployment in various vessels. Different specifications use different filament counts, facilitating smoother deployment in different vascular conditions. The flared design at both the proximal and distal ends ensures excellent wall apposition. The super-elastic nickel-

titanium material adapts well to tortuous vessels. The smooth delivery system enables the stent to reach more distal vessels. The delivery system also features release and retrieval radiopaque markers, ensuring the distal end of the microcatheter does not exceed the retrieval marker. The stent system can be retrieved up to approximately 80% deployment. Available in various lengths, the stent can address a wider range of pathological conditions and is compatible with more indications. Its high metal coverage maintains collateral vessel circulation.

This type of product is mainly imported in the Chinese market. During clinical trials, our product was well received by physicians for its performance. We anticipate launching this product as early as 2025.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET OUR EMBOLIZATION ASSIST STENT SUCCESSFULLY.

Drug Coated Self-expandable Intracranial Stent

Drug Coated Self-expandable Intracranial Stent is indicated for intracranial stenosis disease. It effectively improves the long-term prognosis of patients with symptomatic atherosclerotic stenosis, reduces the risk of stroke recurrence, decreases the incidence of in-stent restenosis, and enhances safety.

Our stents are characterized by excellent drug performance and designed with appropriate drug loading capacity for thrombosis reduction, which can maintain the effective concentration of drug in the tissues appropriately, while reducing tissue cytotoxicity. It also adopts a unique design of mesh and stent ribs, which ensures even stress and strain distribution, providing sufficient radial support for excellent wall apposition. The stent is of closed loop design, which can release 90% and can be completely recovered. The better operability and stable metal coverage can ensure accurate release of the stent and keep the collateral vessel unobstructed. The delivery system is equipped with a multi-stage stiffness distribution, which is both supportive and flexible with a higher delivery ratio.

According to the Frost & Sullivan Report, 30% to 50% of ischemic stroke cases are related to intracranial stenosis. The number of patients with intracranial stenosis in China amounted to 17.3 million in 2019, and is estimated to further increase to 27.9 million in 2030. There is still a large clinical need for intracranial stenosis treatment, and there is currently no commercialized drug coated self-expandable intracranial stent. Our product has been activated for clinical experiments and is expected to be launched as early as 2027.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET OUR DRUG COATED SELF-EXPANDABLE INTRACRANIAL STENT SUCCESSFULLY.

Self-expandable Aneurysm Embolization Device

Our self-expandable aneurysm embolization device is an innovative device for wide-necked bifurcation aneurysms. It combines the advantages of a coil and a blood flow diversion device and has become internationally recognized as one of the simplest and safest intra-tumor treatment options.

According to epidemiological data, bifurcation aneurysms account for approximately 40% to 60% of all intracranial aneurysms. The lesions are located at the confluence of multiple blood vessels and are more likely to form a wide neck morphology. At this location, high-speed blood flow continuously impacts the aneurysm wall. The blood flow impact force is unevenly distributed and the blood flow guidance is complex, increasing the possibility of aneurysm rupture. Treatment of this site is widely recognized as one of the most challenging lesions in the field of neurointervention. Whether it is current surgical clipping or traditional interventional treatment, safety and effectiveness are both challenging.

Our product is a mesh sphere woven from nickel-titanium alloy, specially designed for the anatomical characteristics of bifurcation aneurysms. After being implanted into the aneurysm, it will automatically expand and reduce the blood flow into the neck of the aneurysm through local filling and blood flow disturbance. It can both induce thrombosis in the aneurysm cavity and promote endothelialization of the aneurysm neck to achieve healing. At the same time, the device does not require stent assistance, and being minimally invasive and efficient, it reduces surgical complications. It can not only interfere with the hemodynamics in the tumor cavity, but also does not affect the tumor-bearing artery and surrounding normal branch vessels. The surgery can be safer, taking significantly less time and having clear results, and is simple to manage after surgery. There is no need for long-term antiplatelet medication, which further reduces the physical and financial burden on patients.

Similar products are a blue ocean market in China, and currently only one foreign-funded product has been approved. This treatment method is already very mature abroad, covering approximately 10%-30% of aneurysm interventional treatments, and has great potential in China. The clinical trial of this product is progressing smoothly. The mid-term follow-up data obtained so far are relatively satisfactory and fully meet clinical expectations. We expect to launch the product as early as 2027.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET OUR SELF-EXPANDABLE ANEURYSM EMBOLIZATION DEVICE SUCCESSFULLY.

Our Peripheral Vascular Interventional Products

We have a comprehensive peripheral vascular interventional product portfolio, covering stents, balloons, catheters and filters. At present, we have become one of the most comprehensive and competitive domestic vascular interventional device platform companies in the field of peripheral arteries and veins. As at the date of this announcement, we have 24 peripheral vascular intervention products in China approved by the NMPA. We expect to have an additional 13 peripheral vascular intervention products approved by the NMPA by the end of 2027.

Products Launched

Drug Coated PTA Balloon Catheter

— *UltraFree Drug-coated PTA Balloon Catheter (UltraFree DCB)*

UltraFree DCB is indicated for femoral artery and popliteal artery (except for inferior medial genicular artery) stenosis or occlusion. Since its launch in November 2020, we have mainly focused our commercialization efforts in China. We also obtained CE Mark in October 2020 and commercialized UltraFree DCB in Europe in the second half of 2021.

— *UberVana (Second Generation of DCB)*

We have been continuously improving the performance of our DCB, by increasing its flexibility for better crossing, navigation and dilatation performance. UberVana is developed and manufactured on our drug coating platform. By utilizing our unique coating processes and techniques, we have further optimized the adsorption and physicochemical properties of paclitaxel drug crystals on the balloon surface, enabling the efficient and precise delivery of pure paclitaxel to the target lesion site. This technology is expected to further improve the mid- to long-term efficacy of DCB treatments.

Drug Coated PTA Balloon Catheter currently has a market share of approximately 20% in the domestic market, and has been registered and approved in CE and over ten countries/regions, including Germany, the U.K., Italy, and the United Arab Emirates (UAE), etc. In addition, we continue to work on the indication expansion of UltraFree DCB. Currently, we have completed the submission of registration documents for the clinical trial of Drug Coated PTA Balloon Catheter — Below the Knee (BTK).

Swan Endovenous Radiofrequency Ablation Catheter

The product is innovatively designed as a smaller outer diameter 6F ablation catheter, which can be released with a single button during the treatment process for simple operation. The temperature of the catheter rapidly rises to a controlled 120°C within 5 seconds, and an ablation treatment cycle can be completed in 20 seconds, which enables efficient and effective vascular closure.

Octoplus Vena Cava Filter

The product features an innovative design, instant and excellent adherent performance and self-balancing ability, which enables a more accurate release of the product and more efficient thrombus interception in the long term. Meanwhile, Octoplus Vena Cava Filter is expected to reduce the risk of pulmonary embolism (PE) in patients, providing a longer treatment window for thrombolytic therapy and improving the success rate of deep vein thrombosis (DVT) treatment.

Penguin Peripheral Venous Stent System

The product features three major designs of oblique entrance, tapered gradient and integrated structure to provide excellent wall adherence and gradual expansion, which enhance the clinical performance. The proximal oblique entrance avoids interfering with contralateral blood flow and reduces the risk of thrombosis. The tapered gradient conforms to the natural diameter of the iliac vein to femoral vein to achieve excellent wall adherence and gradual expansion, and the integrated structure with laser engraving and one piece molding enable more accurate positioning to avoid shortening and displacement after implantation. Furthermore, there are many products features to ensure easy operation. The proximal end's closed-loop structure provides strong support, while the distal end's open-loop structure offers excellent compliance. In addition, the marking system is clearly identifiable, with 4 radiopaque markers at the proximal end and an anti-displacement latch at the proximal stent end to ensure that the stent does not displace before it is fully released. An ergonomic release handle also enables recovery and repositioning. We are in the process of accelerating the commercialization of the product in China.

Unicorn Suture-mediated Closure System

Suture-mediated Closure System is indicated for patients undergoing diagnostic or interventional catheterization to suture the puncture site of the common femoral artery after a procedure. It can be particularly used for post-operative angioplasty, aortic endoluminal therapy and transcatheter aortic valve placement to effectively simplify and accelerate the process of vascular closure and reduce the surgical time, while improving the safety and success rate of procedures, and decreasing the risk of post-operative complications. The product is pre-equipped with a non-absorbable polypropylene suture and a pre-

formed fisherman's knot structure. The internal puncture needle can stimulate and break through the vessel wall, and the suture line in the cap sleeve can be drawn out, utilizing the characteristics of the tightened fisherman's knot to achieve suture hemostasis at the puncture point.

The handle and actuator of Unicorn are ergonomically designed for easy one-handed use by surgeons. The product is equipped with a high-strength stainless steel puncture needle to increase the success rate of penetrating the vessel wall, with an internal pre-installed 3–0 polypropylene suture and a pre-wound fisherman's knot, enabling threading and knotting in one go. The distal catheter is tapered to minimize resistance and prevent vessel lacerations; the hydrophilic-coated sheath reduces resistance to sheath delivery. Our Unicorn has an expanded suture range of 5F–22F, which is compatible with large bore sutures of 8F or above, and is expected to meet unmet clinical needs.

According to Frost & Sullivan, the number of vascular closure procedures in China increased from 107.5 thousand in 2015 to 274.3 thousand in 2019 and is estimated to further increase to 3,782.1 thousand in 2030. Unicorn is the first self-developed suture-mediated closure system in China, which marks the breakthrough of the monopoly of imported brands in the market of vascular puncture site suture solutions by domestic brands, enabling more patients to be entitled to high quality and affordable innovative medical technology. We are in the process of accelerating the commercialization of the product in China.

Eagle Aspiration System

The system is used to aspirate blood clots in peripheral blood vessels. It includes three products: Eagle Peripheral Thrombus Aspiration Catheter (including separator), EagleEye Thrombus Aspiration Extension Tube and EagleNest Thrombus Aspiration Negative Pressure Suction Pump.

The thrombus aspiration catheter is resistant to kinking and easy to push, making aspiration more efficient. The separator adopts a streamlined design, which can effectively remove thrombi blocking the tube. In addition, the thrombus aspiration extension tube uses China's first intelligent algorithm control unit designed for peripheral thrombus removal, which controls blood volume by real-time monitoring of the aspiration catheter. The thrombus aspiration negative pressure suction pump is small and convenient, and can be turned on and off with one button. The whole system can bring a safer and more efficient suction experience. The system was fully approved by the NMPA in January 2025, and we are in the process of accelerating the commercialization of such system in China.

Future Key Products

OCT Guided Atherectomy and CTO (Chronic Total Occlusion) Series

In March 2024, we entered into a series of licensing and investment agreements with Avinger Inc., a U.S.-based innovative medical device company and a third party independent of the Company. A series of flagship products with disruptive technology we licensed from Avinger Inc. are (i) Pantheris, which has been approved for the treatment of peripheral vascular atherosclerosis diseases as well as ISR in the U.S.; (ii) Tigereye ST series, which have been approved for the peripheral vascular chronic total occlusion-crossing in the U.S.; and (iii) LightBox 3, the OCT imaging consoles. We have obtained approval from the NMPA to enter the special review procedure for innovative medical devices (innovation channel) and expected to launch Pantheris series and LightBox 3 in late 2025.

Meanwhile, with AI technology advancing rapidly, we are enhancing our atherectomy products with intelligent real-time imaging analysis. The AI enhancement will enable automatic identification of vessel wall structures and plaque, while delineating lesion boundaries and quantifying stenosis levels. By standardizing analysis and reducing the OCT learning curve, we improve treatment precision. For complex lesions, by integrating OCT imaging and patient's medical history, the product will be able to recommend tailored treatment options and guidance, enhancing outcomes and minimizing risks like perforation or dissection. Additionally, our AI-assisted decision system monitors intraoperative risks — such as vessel rupture or bleeding — in real time, providing early warnings and immediate surgical support.

OCT-guided Peripheral Vascular Targeted Atherectomy Catheter Series

According to the Frost & Sullivan Report, the population of PAD patients in China reached 49.5 million in 2019 and it was estimated to reach 62.3 million by 2030. Among which, lower extremity peripheral artery disease accounts for approximately 80% of all PAD cases. It is clinically recognized that the application of vascular reduction device can clean up the proliferation of intima and plaque in the lumen, so that the lumen elasticity can be restored to provide a good vascular base for interventional treatment, thus generating long-term efficacy results.

Pantheris is the world's first and only directional atherectomy system with real-time imaging capabilities including optical coherence tomography (OCT). This technology provides three-dimensional visual guidance using light, allowing physicians to see real-time intravascular images. It facilitates easy operation, precise control of the cutting direction, and more efficient navigation to thoroughly remove plaque. This approach helps preserve the natural vessel structure in PAD patients, reducing the risk of arterial damage and other major adverse events (MAEs). In addition, Pantheris has also been approved by US FDA for atherectomy for in-stent restenosis (ISR) based on its image-guided features, which will

expand the clinical applicability of atherectomy devices and benefit more patients. Pantheris has been proved to have favorable vascular reduction effect and safety in the IDE VISION Study and INSIGHT Study.

Evidence shows that the combination of vascular reduction device and DCB results in better clinical efficacy results. The combination not only optimizes immediate lumen crossing, but also reduces the risk of restenosis with the local drug effects of the DCB, achieving longer-lasting vascular patency rate. The vascular reduction device can also be used in conjunction with several of our products for the treatment of peripheral arterial vascular disease to achieve synergistic effects. The product obtained approval from the NMPA to enter the special review procedure for innovative medical devices (innovation channel) in September 2024.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET OUR PANTHERIS OCT-GUIDED PERIPHERAL VASCULAR TARGETED ATHERECTOMY CATHETER SERIES SUCCESSFULLY.

OCT-guided Peripheral Vascular Chronic Total Occlusion-crossing Catheter Series

Tigereye ST is the world's first and only peripheral vascular chronic total occlusion-crossing (CTO) device with real-time imaging functions. Featuring high-definition, real-time intravascular imaging and a new remote tip design, it is capable of crossing longer and more complex lesions. The functions of the device make image interpretation easier, providing enhanced image quality, higher rotation speeds and precise user control. With the guidance of OCT imaging, the surgeons can easily distinguish the location of the device within the vessel, significantly increasing the possibility of crossing the lesion within the true lumen of the vessel, and preserving a variety of possibilities for the choice of subsequent therapeutic devices. This enhances the predictability and safety of CTO surgery and revolutionizes the treatment of vascular diseases. The product obtained approval from the NMPA to enter the special review procedure for innovative medical devices (innovation channel) in November 2024.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET OUR TIGEREYE ST-GUIDED PERIPHERAL-VASCULAR CHRONIC TOTAL OCCLUSION-CROSSING CATHETER SERIES SUCCESSFULLY.

LightBox 3 OCT Imagining Consoles

Our LightBox 3 OCT imaging consoles, used in conjunction with the Patheris and Tigereye ST Series, provide an onboard image guidance system that utilizes optical coherence tomography (OCT) to emit light waves that enter the vessel wall and receive return energy to form a reconstructed image, with fast imaging speed and high resolution, enabling surgeons to see inside the artery during atherectomy procedures or CTO procedures for the first time. Real-time imaging can better assist surgeons in performing precise atherectomy.

During the procedure, high-resolution intravascular OCT images are displayed in real time on the LightBox console to guide the treatment. When using other devices in the market to treat complex arterial diseases, physicians must rely solely on X-ray images and tactile sense to guide their interventions. Physicians can guide their devices and treat PAD lesions more accurately to provide safe and effective outcomes. Along with the adoption of OCT imaging during procedures, physicians and patients can also benefit from the reduction of fluoroscopy usage, thus protecting themselves.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET OUR LIGHTBOX 3 OCT IMAGING CONSOLES SUCCESSFULLY.

Multi-spot Stent System

Multi-spot Stent System is an innovative peripheral vascular stent for balloon expanded femoral and popliteal artery dissection. It is not yet commercially available in China. As the core product of peripheral intervention, endovascular stent implantation can provide good vascular remodeling effect. However, it is impossible to avoid long-term in-stent restenosis or occlusion. Clinically, the drawbacks of long stent implantation have been widely concerned. To address this clinical pain point, multi-spot stents have been developed, which are expected to be a better solution to the problems of stent fracture and restenosis that occur over time after conventional stent implantation.

With aging population in China, the prevalence of lower extremity arterial disease is increasing year by year, with approximately 40 million patients. In recent years, innovative interventional devices have been created to mostly address the huge market demand for lower extremity arterial interventions. Due to interventional technique advancement, the number of complex lesions treated clinically with endoluminal therapy has increased, and implantation of long stents has become the first line choice of clinical therapy. However, the corresponding problems of stent fracture and restenosis have also increased dramatically. Some foreign scholars have proposed the concept of "leave nothing behind", namely, intervention without implantation. This concept is ideal, but difficult to realize for endoluminal treatment of complex lower extremity arterial lesions. In order to minimize endovascular stent implantation, the concept of "multi-spot" stent implantation has been proposed. Through the implantation of one or more short stents in the critical intravascular sites, without covering the whole lesion, it can also solve the problems of dissection, residual stenosis and elastic recoil during endoluminal treatment of the diseased vessel, and obtain the comparable or even better long-term patency effect than that of the traditional long stent.

Our self-developed Multi-spot Stent System are a set of various multi-spot stents, which are pre-installed in the delivery system with very small outer diameter. Each multi-spot stent is designed with a short-stent double-layer open-ring structure, with an anti-precession snap at one end and multiple visualization markers in the center. The optimized radial support design can be applied to a wide range of vessel sizes and different anatomical configurations.

The stent causes less irritation to the vessel, reducing the possibility of intimal hyperplasia. During the actual surgery, physicians can clearly locate each stent and precisely release it to the lesion requiring stent repair according to the surgical requirements, thus realizing the precise treatment of single-point lesions, avoiding covering portions of healthy tissue, and lowering the risk of in-stent stenosis and fracture. The clinical trial of this product is under progress, and the interim follow-up data obtained currently are satisfactory and fully meet the clinical expectations.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET OUR MULTI-SPOT STENT SYSTEM SUCCESSFULLY.

Balloon Expandable Covered Stent

Balloon Expandable Covered Stent is an innovative endovascular therapeutic product. The product is mainly used for the treatment of stenotic and/or occlusive lesions in the common iliac arteries and external iliac arteries. Currently there are only two imported products commercialized in the Chinese market.

We have adopted a brand-new independent design with full consideration of the needs of clinical diagnosis and treatment in China. We use cobalt chromium alloy tubing that has better performance than the imported stainless-steel material for the main body of the stent, as well as ePTFE coating with high expansion ratio and advanced process to ensure the long-term safety of stent implantation in the human body. In addition, we have also adopted our self-developed and widely-recognized balloon platform. The stent is characterized by a small delivery diameter, precise dilatation performance and special anti-falling design, with a variety of diameter sizes, which can be adapted to more complex lesions.

Compared with self-expanding vascular stents in mainstream clinical applications, Balloon Expandable Covered Stent shows a number of advantages. These include the ability to achieve precise stent positioning, precise control of stent expansion diameter, as well as strong post-stent expansion ability, which can shape the stent into a special form with unequal diameters to better adapt to the vascular anatomy of the iliac arteries for a better match. Due to the superior performance of ePTFE coating, compared with bare metal stents, coated stents also have the unique advantages of remedying vessel perforation, rupture damage, and preventing in-stent restenosis. Because of its excellent performance and clinical results, the balloon expandable covered stent, with better long-term patency and good overall performance, has been recommended as the preferred device for the treatment of lower extremity TASC C/D lesions by a number of domestic and international clinical guidelines. Evidence shows that this type of device may have the best results in iliac artery occlusive lesions, with a significantly lower risk of post-operative restenosis and higher long-term patency rate.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET OUR BALLOON EXPANDABLE COVERED STENT SUCCESSFULLY.

Mammoth Large Lumen Peripheral Thrombus Aspiration Catheter

Our large lumen peripheral thrombus aspiration catheter is mainly used to treat deep vein thrombosis. It is designed for heavy-load deep vein thrombosis and is the only large-caliber aspiration catheter (12F-18F) in China. The unique trumpet design at the distal end of the catheter increases the suction flow rate by more than 3.5 times, improving the suction efficiency. It also prevents the cannula from being blocked when aspirating a large amount of thrombus, helping to quickly remove the thrombus.

In addition, it uses a handle instead of a suction pump to provide a negative pressure source for suction. Not only can the surgeon better control the suction force based on tactile feedback, but the capacity limit switch can also control the amount of suction each time, which can minimize the patient's blood loss. It can be operated with one hand, improving the convenience and safety of the surgical operation. The operation time is short and blocked blood vessels can be opened quickly, reducing the patient's surgical risks and pain. This product has been highly recognized by Grade 3A hospitals and primary medical institutions and is currently the only product of its kind in China.

According to Frost & Sullivan, in 2019, the number of cases of deep vein thrombosis in China was approximately 1.5 million, and it is expected to increase to 3.3 million cases by 2030. Among them, the proportion of thrombosis occurring in the proximal deep vein system of the lower limbs is nearly 50%. The proximal type has a critical location, large blood vessel diameter, high thrombus load, high short-term risk, and is more likely to cause serious sequelae. This has always been the focus of clinical attention.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET OUR MAMMOTH LARGE LUMEN PERIPHERAL THROMBUS ASPIRATION CATHETER SUCCESSFULLY.

Thrombectomy Device

The thrombectomy device was developed by us based on a new, independent and innovative design concept, specifically for the clinical treatment needs of acute deep vein thrombosis. It is a three-in-one device that combines mechanical thrombus fragmentation, thrombolysis and aspiration. Through the three-in-one combination function, high-concentration thrombolytic drugs are added to the local area of the thrombus, which, combined with mechanical thrombus fragmentation, can greatly improve the thrombus clearance rate and reduce the patient's blood loss. On the other hand, compared with existing single-function products, we have adopted a special safety mechanism that can greatly reduce the occurrence of clinical complications.

In addition, the product adopts a miniaturized integrated design, does not require an external host, with a high degree of structural integration, and it is easy to operate and convenient for clinical use. The clinical trials of the product are currently progressing smoothly, and the mid-term follow-up data obtained are relatively satisfactory and in line with clinical trial expectations. According to relevant clinical guideline data, acute deep vein thrombosis accounts for more than 30% of all deep vein thrombosis cases; and if subacute deep vein thrombosis cases are further included, such total proportion may exceed 70%. Timely intervention at this stage can significantly reduce the risk of pulmonary embolism and the incidence of post-thrombotic syndrome. We expect to launch the product as early as 2027.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET OUR THROMBECTOMY DEVICE SUCCESSFULLY.

Special Balloon

With aging population in China, the prevalence of lower extremity arterial disease is increasing year by year, with approximately 40 million patients. Epidemiological data shows that the incidence of lower limb arterial calcification is at least 50%. Lower limb artery calcification is often accompanied by severe vascular stenosis or even occlusion, which brings a greater risk of intraoperative complications in clinical treatment, not only reducing the success rate of surgery, but also seriously affecting the patient's prognosis.

Therefore, for patients with calcified lesions, the lesion site must be fully pre-dilated before treatment to expand the lesion by physically breaking up the calcified plaque, improving vascular stenosis or occlusion, obtaining a larger lumen diameter, and achieving longer-term vascular patency to facilitate better subsequent treatment. This has become one of the main research directions of vascular surgery. These include several main treatment methods, namely generating more focused pressure through the special design of the balloon surface, and opening the stenotic lesions through the expansion pressure of the balloon; cutting the calcified plaques through the micro-blades on the balloon surface to improve the lesions; and generating high-frequency shock waves through the pulse generator inside the balloon to selectively fragment the calcified plaques without damaging the endothelium, thereby increasing the lumen acquisition rate. Limb artery stenosis lesions are complex. The surgeons will choose the appropriate treatment method based on the patient's vascular location and degree of calcification, and use them in combination if necessary. In addition, the special balloon can be used in conjunction with multiple of our products for the treatment of peripheral arterial vascular disease, significantly improving the overall treatment effect. We expect to launch the product as early as 2026.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET OUR SPECIAL BALLOON 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, we achieved a revenue of RMB482.0 million, representing an increase of 31.7% as compared to RMB366.0 million in the first half of 2024. 63.3% of our interventional products revenue was derived from the neurovascular interventional products business and 36.7% was derived from the peripheral vascular interventional products business. The significant growth of our revenue was primarily attributable to the high sales growth of both neurovascular and peripheral vascular interventional devices segments.

The revenue from sales of neurovascular interventional products in the first half of 2025 grew by 25.0% as compared to the first half of 2024, primarily because of (i) the established revenue growth from our key established products, such as SilverSnake Intracranial Intermediate Catheter Series, Phoenix Neurovascular Embolization Coil and Neurovascular Guidewire; (ii) the nationwide launch of relatively new products, such as the Kylin Flow Diverter, following the mass central procurement by hospitals; and (iii) our continuous effort to increase product penetration at different level of hospitals.

The revenue from sales of peripheral vascular interventional products in the first half of 2025 grew by 46.2% as compared to the first half of 2024, primarily because of (i) the rapid growth of sales revenue of our established UltraFree Drug Coated PTA Balloon Catheter (UltraFree DCB), Octoplus Vena Cava Filter, Snare Retrieval Kit for IVC Filter and Swan Endovenous Radiofrequency Ablation (RFA) Catheter by our ongoing efforts to expand market access, increase hospital penetration and expand distribution network; and (ii) the commercial launch on nation-wide level of our relatively new product portfolio, including Phoenix Peripheral Detachable Fibrous Coil Embolization System and Penguin Peripheral Venous Stent System and Unicorn Suture-mediated Closure System.

The following tables set forth a breakdown of our revenue by business line and by product category:

At a point in time	**Six months ended June 30, 2025 (Unaudited)**		Six months ended June 30, 2024 (Unaudited)		*Period to Period change %*
	RMB'000	***% of total***	*RMB'000*	*% of total*	
Revenue from sales of goods	**480,872**	**99.8%**	364,145	99.5%	32.1%
Others	**1,097**	**0.2%**	1,845	0.5%	-40.5%
Total	**481,969**	**100%**	365,990	100.0%	31.7%

Revenue from sales of goods	**Six months ended June 30, 2025 (Unaudited)**		Six months ended June 30, 2024 (Unaudited)		*Period to Period change %*
	RMB'000	***% of total***	*RMB'000*	*% of total*	
Neurovascular interventional devices	**304,463**	**63.3%**	243,510	66.9%	25.0%
Peripheral vascular interventional devices	**176,409**	**36.7%**	120,635	33.1%	46.2%
Total	**480,872**	**100.0%**	364,145	100.0%	32.1%

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 expenses and office expenses.

The Group's cost of sales for six months ended June 30, 2025 was RMB138.9 million, representing an increase of 32.2% as compared to RMB105.1 million for six months ended June 30,2024. The increase was primarily attributable to (i) an increase in raw materials and consumables used for sales of our products during the Reporting Period, which was in line with the increased penetration of our commercialized of our marketed products since June 30, 2024; (ii) an increase in employee benefits expenses as a result of an increase in the number of our employees for expanded production and operation; and (iii) an increase in depreciation of property, plant and equipment.

Gross Profit and Gross Profit Margin

As a result of the aforementioned factors, the gross profit of the Group increased by 31.5% from RMB260.9 million for the six months ended June 30, 2024 to RMB343.1 million for the six months ended June 30, 2025. The gross profit margin of the Group decreased slightly from 71.3% for the six months ended June 30, 2024 to 71.2 % for the six months ended June 30, 2025, because (i) some products began to be enrolled in the VBP; and (ii) for some other products, we strategically lowered their prices to gain greater market shares in anticipation of the potential VBP.

R&D Expenses

The Group's R&D expenses for the six months ended June 30, 2025 was RMB121.6 million, representing an increase of 19.7% as compared to RMB101.5 million the six months ended June 30, 2024. The increase was primarily attributable to an increase in testing, clinical trial and professional services fees for R&D from RMB41.6 million for the six months ended June 30, 2024 to RMB53.9 million for the six months ended June 30, 2025.

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

	Six months ended June 30, 2025 (Unaudited) *RMB'000*	Six months ended June 30, 2024 (Unaudited) *RMB'000*
R&D Expenses		
Testing, clinical trial and professional services fees for R&D	**53,937**	41,559
Employee benefits expenses	**44,827**	40,945
Raw materials and consumables used	**15,806**	12,483
Others	**7,026**	6,555
Total	**121,596**	101,542

Selling and Distribution Expenses

The Group's selling and distribution expenses for the Reporting Period was RMB85.3 million, representing an increase of 6.7% as compared to RMB80.0 million for the six months ended June 30, 2024. Such increase was primarily due to increased sales and marketing expenses as a result of the expansion of sales scale and the increase in the number of launched products. The selling and distribution expenses as a percentage of overall revenue decreased from 21.9% for the six months ended June 30, 2024 to 17.7% for the Reporting Period. Such decrease was primarily attributable to (i) continuous improvement and strengthening of the sales and marketing team and sales network; (ii) increased clinical recognition of product quality, which made our commercial promotion more efficient; and (iii) a more comprehensive product portfolio, which enhanced the efficiency of sales efforts.

Administrative Expenses

The Group's administrative expenses for the six months ended June 30, 2025 was RMB55.9 million, representing an increase of 28.3% as compared to RMB43.6 million for the six months ended June 30, 2024. The administrative expenses as a percentage of total revenue decreased slightly to 11.6% for the six months ended June 30, 2025, from 11.9% for six months ended June 30, 2024, which was mainly attributable to the improvement of internal operational efficiency.

Other Expenses

The Group's other expenses for the Reporting Period was RMB0.6 million, which remained relatively stable as compared to RMB0.6 million for the six months ended June 30, 2024.

Other Income

The Group's other income for the six months ended June 30, 2025 was RMB20.9 million, representing an increase of 96.4% as compared to RMB10.6 million for the six months ended June 30,2024, primarily attributable to an increase in government grants in the Reporting Period.

Other Losses — net

The Group recorded other net losses for the Reporting Period of RMB6.2 million, representing a decrease of 32.3% compared to RMB9.2 million for the six months ended June 30, 2024, primarily attributable to no more fair value loss from FVPL.

Finance Income — net

The Group's finance income — net for the six months ended June 30, 2025 was RMB27.1 million, representing a decrease from RMB33.4 million for the six months ended June 30, 2024, primarily attributable to a decrease in bank interest income in the Reporting Period.

Income Tax Expense

The Group did not incur income tax expense for the six months ended June 30, 2025.

Non-IFRS Measures

To supplement our consolidated statement of comprehensive income which are presented in accordance with IFRS, we also use adjusted net profit 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 for the periods indicated:

	Six months ended June 30, 2025 *(RMB'000)* (Unaudited)	Six months ended June 30, 2024 *(RMB'000)* (Unaudited)
Profit for the period	**121,199**	68,865
Add: Share-based compensation[(1)]	**10,171**	9,306
Non-IFRS adjusted net profit for the period	**131,370**	78,171

Notes:

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

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 total available financial resources, including cash and cash equivalents, term deposits and financial assets measured at fair value increased from RMB2,509.6 million as at December 31, 2024 to RMB2,531.0 million as at June 30, 2025. In the Reporting Period, the Company generated a total of RMB129.4 million from operations. The Group's cash and cash equivalents as at June 30, 2025 were RMB465.1 million, representing an increase of 11.2 % as compared to RMB418.1 million as at December 31, 2024. The cash and cash equivalents were denominated in RMB, USD, HKD and Euro. Term deposits as at June 30, 2025 were RMB1,908.1 million as compared to RMB1,926.1 million as at December 31, 2024. Financial assets measured at fair value were RMB157.8 million as at June 30, 2025 as compared to RMB165.4 million as at December 31, 2024. The management is confident that the Group's financial resources are 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 commercialized products and by launching new products, as a result of the broader market acceptance of our commercialized 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

The Group's borrowings as at June 30, 2025 was RMB79.0 million, representing a decrease of 9.2% as compared with RMB87.0 million as at December 31, 2024.

As at June 30, 2025, the Group has entered into loan agreements with total amounts of RMB79.0 million and all the amounts were drawn down, bearing interest at rates ranging from 2.30% to 2.51% per annum. Certain self-developed patents of the Group have been pledged as collateral under loan agreements.

The gearing ratio (calculated by dividing the sum of borrowings and lease liabilities by total equity) of the Group decreased from 2.93% as at December 31, 2024 to 2.63% as at June 30, 2025.

Net Current Assets

The Group's net current assets, as at June 30, 2025 were RMB1,540.1 million, representing an increase of 28.9% as compared to net current assets of RMB1,194.9 million as at December 31, 2024, primarily due to the increase of cash and cash equivalents and term deposits.

Foreign Exchange Exposure

We have transactional currency exposures. Certain of our bank balances, other receivables, other financial assets, other payables and other financial liabilities are dominated in foreign currencies and are exposed to foreign currency risk. Our management monitors foreign exchange exposures and considers appropriate hedging measures when the need arises.

Pledge of Shares

We did not have any pledging of shares by our Single Largest Group of Shareholders as at June 30, 2025.

Significant Investments, Material Acquisitions and Disposals

As at June 30, 2025 we did not hold any significant investments. During the Reporting Period, we did not have material acquisitions or disposals of subsidiaries, associates and joint ventures.

Capital Expenditure

For six months ended June 30, 2025, the Group's total capital expenditure amounted to approximately RMB51.9 million, which was mainly used in the purchase of property, plant and equipment and intangible assets.

Charge on Assets

As at June 30, 2025, there was no charge on assets of the Group.

Contingent Liabilities

As at June 30, 2025, we did not have any material contingent liabilities.

Employees and Remuneration Policies

As at June 30, 2025, we had 875 employees in total (June 30, 2024: 756).

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 use diversified financing channels to finance capital expenditures, including but not limited to internal funds and bank loans. As at June 30, 2025, the capital commitments of the Group

for property, plant and equipment and investment in venture fund were RMB3.9 million and RMB151.6 million respectively. Save as disclosed above, the Group has no other future commitment for material investments or capital assets as at June 30, 2025.

III. PROSPECTS

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

- **Continue to increase our market share by capitalizing on our comprehensive product offering and strong commercialization capability**

  With the ongoing adoption of our high-quality products by physicians and hospitals, we are confident in our ability to further expand our market share in the neurovascular and peripheral vascular interventional devices industry. We have established a robust track record of commercialization and distribution in China. Leveraging our strong commercialization and distribution network, we will continue to effectively launch innovative products.

- **Continue to invest in international markets**

  In overseas markets, we have taken significant strides in commercialization and registration, and we are committed to continuing these efforts. We are expanding our international team to bolster sales outside of China and intensifying our registration efforts in various regions, including South America and the Pan-Asian regions. We are in the process to registering more than 31 products in more than 23 countries/regions. Additionally, we will enhance partnerships with local physicians and distributors and explore new business cooperation models to further strengthen our presence and growth in these markets.

- **Continue to expand our product offering and accelerate innovation tailored to clinical needs**

  We have successfully launched a few innovative products with unique features to better accommodate unmet clinical needs, including Thrombite Clot Retriever Device (CRD), Penguin Peripheral Venous Stent System, Kylin Flow Diverter (Generation I and Generation II), Neurovascular Balloon Guiding Catheter, Eagle Aspiration System, Unicorn Suture-mediated Closure System and Vascular Closure Device. Leveraging our internal R&D capabilities, we are dedicated to ongoing investment in innovation. The commitment allows us to respond swiftly to the evolving clinical needs and develop innovative products with superior clinical performance.

- **Continue to improve our operational efficiency and profitability**

  The evolving industry dynamics, including the implementation of VBPs and reimbursement under Diagnosis-Related Groups (DRGs), present new challenges for medical device companies. To address these challenges, we will continue to leverage our in-house R&D technology platforms, manufacturing expertise and know-how, and efficient sales and marketing network, to accelerate commercialization efforts and ultimately improve overall profitability.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Pursuant to an ordinary resolution passed by the Shareholders at the annual general meeting of the Company convened and held on June 6, 2024, the Directors were granted a general mandate to exercise the power to repurchase up to 32,461,974 H Shares, representing 10% of the total number of H Shares in issue as at June 6, 2024 (the "**Repurchase Mandate I**"). During the Reporting Period, pursuant to the Repurchase Mandate I, the Company bought back an aggregate of 2,462,000 H Shares on the Stock Exchange (the "**Repurchased Shares I**") at a total consideration of HK$39,409,195, exclusive of commissions and other expenses.

Pursuant to an ordinary resolution passed by the Shareholders at the annual general meeting of the Company convened and held on May 30, 2025, the Directors were granted a general mandate to exercise the power to repurchase up to 31,958,111 H Shares, representing 10% of the total number of H Shares in issue as at May 30, 2025 (the "**Repurchase Mandate II**"). During the Reporting Period, pursuant to the Repurchase Mandate II, the Company bought back an aggregate of 932,500 H Shares on the Stock Exchange (the "**Repurchased Shares II**") at a total consideration of HK$17,947,835, exclusive of commissions and other expenses.

Details of the repurchased H Shares during the Reporting Period (the "**Repurchased Shares**") are as follows:

Month of buy-back	Number of Share bought back	Consideration per Share		Total consideration paid for the buy-back	Status of the Repurchased Shares
		Highest price paid *HK$*	Lowest price paid *HK$*	*(approx.) HK$*	
January 2025	600,000	11.70	10.66	6,669,870	Held as Treasury Shares
April 2025	974,000	19.16	13.90	15,774,750	Held as Treasury Shares
May 2025	968,000	20.30	18.08	18,477,115	Held as Treasury Shares
June 2025	852,500	20.80	18.22	16,435,295	Held as Treasury Shares
Total	3,394,500			57,357,030	

The Board believes that the share repurchases demonstrate the Company's confidence in its own business outlook and prospects and would, ultimately, benefit the Company and create value to the Shareholders.

On May 23, 2025, 3,675,369 treasury shares were transferred as award shares to certain grantees pursuant to the terms of the share award scheme adopted on December 19, 2024 (the "**Share Award Scheme**"). For details, please refer to the announcement regarding the grant of awards pursuant to the Share Award Scheme dated December 19, 2024 and the next day disclosure return dated May 23, 2025 of the Company.

As at the end of the Reporting Period, the balance of the issued shares of the Company was 322,400,744 H Shares (including 3,752,131 H Shares are held as treasury shares) and 7,781,257 Domestic Shares.

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) 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 Appendix C1 to the Listing Rules as its own code of corporate governance practices. The Board is of the view that during the Reporting Period, the Company has applied the principles of good corporate governance and complied with all the applicable code provisions set out in Part 2 of the CG Code, save for the deviation for reasons set out below.

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 the 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 set out in Appendix C3 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

The Company is not aware of any material subsequent events from June 30, 2025 to the date of this announcement that may have a material impact on the Group's operating and financial performance that needs to be disclosed.

REVIEW OF INTERIM RESULTS

The Audit Committee comprises three independent non-executive Directors, namely Ms. Yun Qiu (chairman of the Audit Committee), Dr. Jian Ji and Dr. Xiang Qian, with terms of reference in compliance with the Listing Rules. The Audit Committee has reviewed the unaudited interim condensed consolidated financial information of the Group for the six months ended June 30, 2025 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 with 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 2025 INTERIM REPORT

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.zyloxtb.com).

The 2025 interim report 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"	Conformité Européenne
"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 Appendix C1 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, Macao and Taiwan
"CODM"	Chief operating decision-maker
"Company"	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)
"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
"CTO"	chronic total occlusion

"DCB"	drug-coated balloon, being 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
"DRG"	diagnosis-related group, a case-mix system to categorize patients with similar clinical diagnoses in order to better control hospital costs and determine payor reimbursement rates
"DVT"	deep vain thrombosis, which occurs when a blood clot forms in one or more of the deep veins in the body, usually in the leg
"EU"	European Union
"Frost & Sullivan"	Frost & Sullivan International Limited, an independent market, research and consulting company
"Frost & Sullivan Report"	the report commissioned by the Company and independently prepared by Frost & Sullivan, a summary of which is set forth in the section headed "Industry Overview" in the prospectus issued by the Company dated June 22, 2021
"Group", "we", "us" or "our"	the Company and its subsidiaries from time to time
"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
"H Share Scheme"	the 2021 H Share award and trust scheme adopted by the Company on September 23, 2021
"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
"ISR"	in-stent restenosis
"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)
"Macao"	the Macao Special Administrative Region of the PRC
"Taiwan"	Taiwan, China
"Main Board"	the main board of the Stock Exchange
"Model Code"	the "Model Code for Securities Transactions by Directors of Listed Issuers" set out in Appendix C3 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)
"OCT"	optical coherence tomography
"PE"	pulmonary embolism, a blockage in one of the pulmonary arteries in the lungs. Caused by blood clots that travel to the lungs from deep veins in the legs or, rarely, from veins in other parts of the body

"Pre-IPO Share Option Scheme"	the pre-IPO share option scheme of our Company approved and adopted by the Board on January 18, 2021, as amended from time to time
"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
"R&D"	research and development
"Reporting Period"	the six months ended June 30, 2025
"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 Investment Center (Limited Partnership) (珠海歸創投資中心(有限合夥)) (formerly known as Zhuhai Guichuang Equity Investment Center (Limited Partnership) (珠海歸創股權投資中心(有限合夥))), Hangzhou Guiqiao Enterprise Management Partnership (Limited Partnership) 杭州歸橋企業管理合夥企業(有限合夥) (formerly known as Ningbo Guiqiao Enterprise Management Partnership (Limited Partnership) (寧波歸橋企業管理合夥企業(有限合夥)), WEA Enterprises, LLC and Hangzhou Yuyihui Enterprise Management Partnership (Limited Partnership) (杭州語意慧企業管理合夥企業(有限合夥) (formerly known as Huzhou Yuyihui Enterprise Management Partnership (Limited Partnership) (湖州語意慧企業管理合夥企業(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
"US dollars"	United States dollars, the lawful currency of the United States
"U.S." or "United States"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"VBP"	volume-based procurement, a program that enables local governments to procure medical devices in high volume and at low cost, thereby driving down medical expenses for patients
"%"	percent

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

Hong Kong, August 19, 2025

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