Shanghai Bio-heart Biological Technology Co., Ltd.
上海百心安生物技術股份有限公司

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

(Stock Code: 2185)

INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED JUNE 30, 2025

FINANCIAL HIGHLIGHTS

	Six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue	**20,862**	–
Cost of sales	**(11,167)**	–
Gross profit	**9,695**	–
Other income and gains	**764**	1,415
Research and development expenses	**(20,090)**	(21,791)
Selling and marketing expenses	**(1,146)**	–
Administrative expenses	**(9,691)**	(7,084)
Other expenses	**(48)**	(181)
Finance costs	**(6,648)**	(23)
Share of losses of an associate	**(256)**	(661)
Loss before tax	**(27,420)**	(28,325)

BUSINESS HIGHLIGHTS

- On February 26, 2025, Iberis® RDN system has been approved by the NMPA for the adjuvant treatment for resistant hypertension and hypertension patients with drug intolerance.

- In February 2025, Iberis® RDN system completed the first commercial procedure in Europe.

- In the first half of 2025, the Company recorded revenue of RMB20.9 million (six months ended June 30, 2024: nil) as a result of the global product lanuch of our first commercialized product, Iberis® 2nd RDN system.

- On March 27, 2025, the Company's SAKURA-SCB trial for ischemic heart disease in Japan has successfully enrolled its first patient in Tokyo.

INTERIM RESULTS

The Board is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries for the six months ended June 30, 2025 together with the comparative figures for the corresponding period in 2024.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended June 30, 2025

		Six months ended June 30,	
		2025	2024
	Notes	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited)
REVENUE	*5*	**20,862**	–
Cost of sales		**(11,167)**	–
Gross profit		**9,695**	–
Other income and gains	*6*	**764**	1,415
Research and development expenses		**(20,090)**	(21,791)
Selling and marketing expenses		**(1,146)**	–
Administrative expenses		**(9,691)**	(7,084)
Other expenses		**(48)**	(181)
Finance costs	*8*	**(6,648)**	(23)
Share of losses of an associate		**(256)**	(661)
LOSS BEFORE TAX	*7*	**(27,420)**	(28,325)
Income tax credit	*9*	**686**	–
LOSS FOR THE PERIOD		**(26,734)**	(28,325)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		**(26,734)**	(28,325)
Attributable to:			
Owners of the parent		**(27,213)**	(25,830)
Non-controlling interests		**479**	(2,495)
		(26,734)	(28,325)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted *(RMB)*	*11*	**(0.11)**	(0.11)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at June 30, 2025

	Notes	**As at June 30, 2025** ***RMB'000*** **(Unaudited)**	As at December 31, 2024 *RMB'000* (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	*12*	**40,747**	42,945
Other intangible assets		**132,952**	137,587
Prepayments, other receivables and other assets	*13*	**43,135**	47,049
Right-of-use assets		**7,893**	8,633
Financial assets at fair value through profit or loss		**18,296**	18,296
Goodwill		**144,630**	144,630
Investment in a joint venture		**32,800**	–
Investment in an associate	*14*	**35,353**	35,609
Total non-current assets		**455,806**	434,749
CURRENT ASSETS			
Inventories		**23,133**	18,327
Trade receivables	*15*	**12,168**	–
Prepayments, other receivables and other assets	*13*	**74,439**	78,314
Cash and cash equivalents		**187,380**	202,386
Time deposits		**125,491**	–
Total current assets		**422,611**	299,027
CURRENT LIABILITIES			
Trade payables		**3**	95
Lease liabilities		**1,265**	1,269
Contract liabilities		**18,461**	–
Other payables and accruals		**13,220**	17,813
Amounts due to related parties		**472**	472
Total current liabilities		**33,421**	19,649
NET CURRENT ASSETS		**389,190**	279,378
TOTAL ASSETS LESS CURRENT LIABILITIES		**844,996**	714,127

	Notes	**As at June 30, 2025** ***RMB'000*** **(Unaudited)**	As at December 31, 2024 *RMB'000* (Audited)
NON-CURRENT LIABILITIES			
Lease liabilities		**6,403**	7,014
Deferred income		**6,000**	6,000
Redemption liabilities on a subsidiary's shares		**158,900**	–
Deferred tax liabilities		**19,894**	20,580
Total non-current liabilities		**191,197**	33,594
Net assets		**653,799**	680,533
EQUITY			
Equity attributable to owners of the parent			
Share capital		**243,937**	243,937
Treasury shares		**(29,438)**	(29,438)
Reserves		**263,156**	445,969
		477,655	660,468
Non-controlling interests		**176,144**	20,065
Total equity		**653,799**	680,533

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT

For the six months ended June 30, 2025

1 CORPORATE AND GROUP INFORMATION

Shanghai Bio-heart Biological Technology Co., Ltd. is a joint stock company with limited liability incorporated in the People's Republic of China ("**PRC**"). The registered office of the Company is located at Room 302, 3/F, Building 4, No. 590 Ruiqing Road, East Zhangjiang Hi-Tech Park, Pudong New Area, Shanghai, PRC.

During the period, the Company and its subsidiaries (together, the "**Group**") are principally engaged in the research and development or commercialization of bioresorbable scaffold ("**BRS**") products and the second-generation renal denervation ("**RDN**") system.

The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") effective from December 23, 2021.

2 BASIS OF PREPARATION

The 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 does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended December 31, 2024. The interim condensed consolidated financial information is presented in Renminbi ("**RMB**"), and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

3 CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2024, except for the adoption of the following amended IFRS Accounting Standard for the first time for the current period's financial information.

Amendments to IAS 21 *Lack of Exchangeability*

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchange ability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

4 OPERATING SEGMENT INFORMATION

For the purpose of resource allocation and performance assessment, the Group's chief executive officer, being the chief operating decision maker, reviews the consolidated results when making decisions about allocating resources and assessing performance of the Group as a whole and hence, the Group has only one reportable segment and no further analysis of this single segment is presented.

The Group recorded revenue during the six months ended June 30, 2025 which was mainly derived from one major customer located in Mainland China, and each of the periods presented and the Group's non-current assets are all located in the PRC, accordingly, no analysis of geographical segment is presented.

5 REVENUE

An analysis of revenue is as follows:

	Six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Types of revenue		
Sales of goods	**20,455**	–
Collaboration revenue	**407**	–
Total	**20,862**	–
Timing of revenue recognition		
Transferred at a point in time	**20,455**	–
Transferred overtime	**407**	–
Total	**20,862**	–

6 OTHER INCOME AND GAINS

An analysis of other income and gains is as follows:

	Six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Other income		
Government grants*	**31**	100
Interest income	**733**	674
Gains		
Foreign exchange gains	**–**	641
Total	**764**	1,415

* The Group received certain government grants related to long-term assets. The grants related to long-term assets were recorded in deferred income and recognized in profit or loss over the useful lives of the relevant assets after the relevant conditions are met. Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period upon actual receipt.

7 LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	Six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Cost of inventories sold	**6,151**	–
Depreciation of property, plant and equipment*	**2,397**	3,340
Depreciation of right-of-use assets*	**740**	612
Share of losses of an associate	**256**	661
Auditor's remuneration	**310**	310
Amortization of other intangible assets*	**4,635**	62
Loss on disposal of items of property, plant and equipment	**–**	4
Expense relating to leases of low-value assets	**10**	9
Interest income	**(733)**	(674)
Foreign exchange losses/(gains)	**134**	(641)
Government grants	**(31)**	(77)
Staff cost (excluding directors', supervisors' and chief executive's remuneration):		
– Wages and salaries	**6,860**	3,903
– Pension scheme contributions	**760**	480

* The depreciation of property, plant and equipment, depreciation of right-of-use assets, amortization of other intangible assets and employee benefit expenses for the period are set out in "Cost of sales", "Administrative expenses", "Research and development expenses" and "Selling and marketing expenses" in the interim condensed consolidated statement of profit or loss and other comprehensive income.

8 FINANCE COSTS

An analysis of finance costs is as follows:

	Six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Interest on redemption liabilities on a subsidiary's shares	**3,300**	–
Transaction costs attributable to redemption liabilities on a subsidiary's shares	**3,187**	–
Interest on lease liabilities	**161**	23
Total	**6,648**	23

9 INCOME TAX

Mainland China

No provision for Mainland China income tax has been provided for at a rate of 25% pursuant to the Corporate Income Tax Law of the PRC and the respective regulations (the "**CIT Law**"), as the Group's PRC entities have no estimated assessable profits during the period.

In 2022, the Ministry of Finance and the State Administration of Taxation issued the Notice on the Further Implementation of Preferential Income Tax for Small and Micro Enterprises (Cai Shui [2022] No. 13), which provides that the portion of annual taxable income of small and micro enterprises shall be deducted to 25% of the taxable income and subject to income tax at a rate of 20% for the period from January 1, 2022 to December 31, 2027. AngioCare and Shanghai Xianjianyi Trading Co., Ltd. were recognised as small and micro enterprises and were entitled to a preferential tax rate of 20% during the period.

Hong Kong

No provision for Hong Kong income tax was provided for at a rate of 16.5% as the Group's Hong Kong entity had no estimated assessable profits during the period.

Deferred taxation had not been recognized on the unused tax losses and deductible temporary differences due to the unpredictability of future profit streams.

	Six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current income tax	**–**	–
Deferred income tax	**(686)**	–
Tax credit for the period	**(686)**	–

10 DIVIDENDS

No dividends had been paid or declared by the Company during the six months ended June 30, 2025 (six months ended June 30, 2024: nil).

11 LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The Company had no potentially dilutive ordinary shares outstanding during each of the periods presented. The calculation of the weighted average number of ordinary shares has excluded the treasury shares held in trust.

The calculation of basic loss per share is based on:

	Six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
Loss		
Loss attributable to ordinary equity holders of the Company *(RMB'000)*	**(27,213)**	(25,830)
Ordinary shares		
Weighted average number of ordinary shares outstanding during the period used in the basic loss per share calculation *(thousand)*	**243,417**	243,417
Loss per share *(RMB per share)*	**(0.11)**	(0.11)

12 PROPERTY, PLANT AND EQUIPMENT

During the six months ended June 30, 2025, the Group acquired property, plant and equipment at a cost of RMB2,397,000 (unaudited) (six months ended June 30, 2024: RMB3,340,000 (unaudited)). The net book value of property, plant and equipment as at June 30, 2025 is RMB40,747,000 (unaudited) (December 31, 2024: RMB42,945,000 (audited)).

13 PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	As at June 30, 2025	As at December 31, 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Non-current:		
Prepayments for purchase of items of property, plant and equipment	**26,000**	26,023
Value-added tax recoverable – non-current	**16,442**	20,352
Rental deposits – non-current	**484**	470
Other deposits	**209**	204
Total	**43,135**	47,049
Current:		
Prepayments	**71,947**	78,314
Value-added tax recoverable – current	**2,492**	–
Total	**74,439**	78,314

The financial assets included in the above balances relate to receivables for which there was no recent history of default and past due amounts. As at the end of each of the reporting periods, the loss allowance was assessed to be minimal.

Value-added tax ("**VAT**") recoverable represents input VAT which are expected to be recovered either through refund from tax bureaus or to be utilized in the future to offset the output VAT. The amounts that are expected to be recovered within one year are recorded as current assets, while those that are expected to be recovered after one year are recorded as non-current assets.

14 INVESTMENT IN AN ASSOCIATE

	As at June 30, 2025 (Unaudited)	As at December 31, 2024 (Audited)
Cost of investment in an associate, unlisted	**39,658**	39,658
Share of post-acquisition losses	**(4,305)**	(4,049)
Total	**35,353**	35,609

In June 2022, the Group acquired an aggregate of 15.42% equity interests in Shanghai XinZhi Medical Technology Co., Ltd. (上海心至醫療科技有限公司) ("**Xinzhi Medical**") through (i) the acquisition of 8.01% equity interest from one of the then shareholders of Xinzhi Medical at a consideration of approximately RMB8,658,000, and (ii) the subscription of additional 7.41% equity interests of Xinzhi Medical at a consideration of RMB16,000,000.

In April 2023, the Group further agreed to make a capital increase of RMB15,000,000 into Xinzhi Medical, resulting in a total of 22.18% equity interests in Xinzhi Medical held by the Group as of June 30, 2025.

Xinzhi Medical is mainly engaged in research and development of Drug-eluting balloon ("**DEB**") products.

The investment has been accounted for as an investment in an associate using the equity method because the Group had significant influence over the financial and operating policies of Xinzhi Medical as the Group has the power to appoint one out of the seven directors of Xinzhi Medical under the articles of association of Xinzhi Medical.

15 TRADE RECEIVABLES

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	As at June 30, 2025 (Unaudited)	As at December 31, 2024 (Audited)
Within 1 year	**12,168**	–

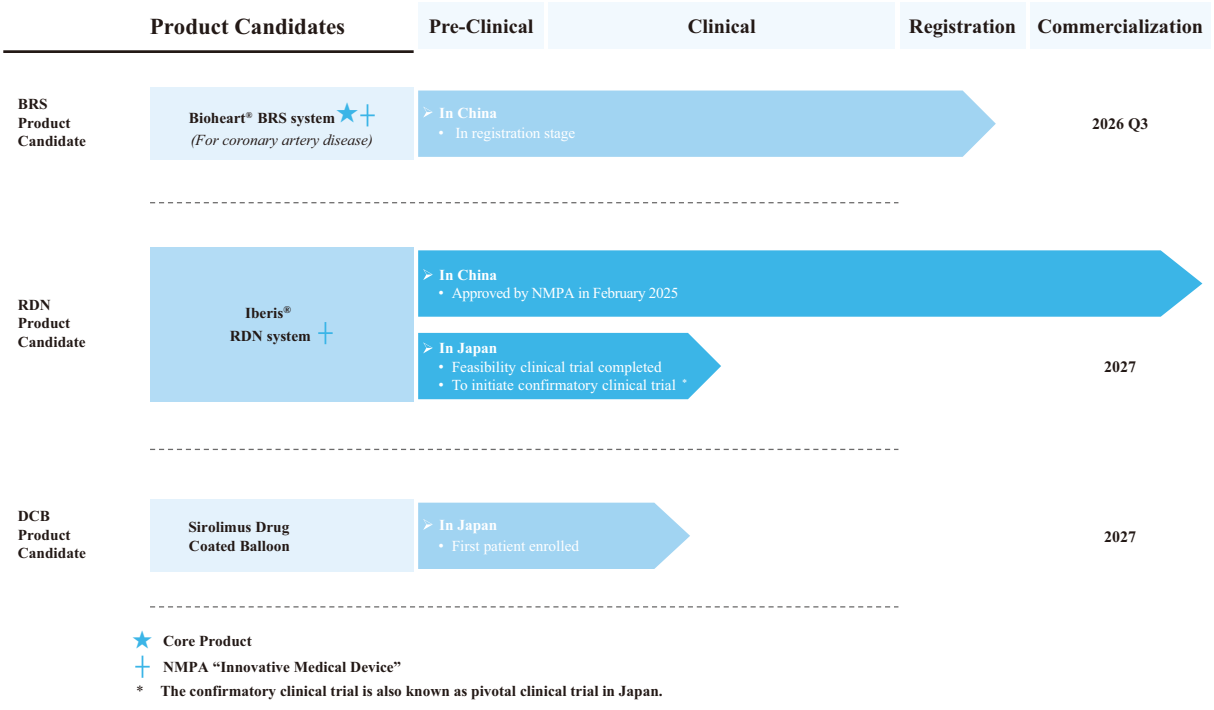
I. BUSINESS REVIEW

Overview

We are a leading innovative interventional cardiovascular device company in China with a current focus on two therapies: (i) BRS addressing the unmet medical needs of Chinese patients for the treatment of coronary artery diseases, and (ii) RDN addressing the unmet medical needs of patients for the treatment of uncontrolled hypertension and resistant hypertension.

Products and Pipeline

As of the date of this announcement, we have a portfolio of three product candidates in various stages of development or commercialization. The following diagram summarizes the status of our product candidates under development or commercialization as of the date of this announcement:



Our Products and Product Candidates

BRS Product Candidate

Bioheart®, our BRS product, is a self-developed temporary scaffold that will be fully resorbed by the human body over time. It is a BRS system used in percutaneous coronary intervention procedures for the treatment of coronary artery disease. As of the date of this announcement, we held over 40 patents in relation to Bioheart®, with one registered in the U.S. and two registered in Europe. Bioheart® was recognized as an "innovative medical device" by the NMPA in February 2017 and is therefore eligible for an expedited approval process. On February 16, 2022, the Company completed the patient enrollment process for the clinical trial of Bioheart®. We expect to obtain the approval from the NMPA in Q3 2026.

RDN Product Candidate

Iberis® is our self-developed RDN system. RDN is one of the few device therapies with proven clinical efficacy to treat uncontrolled hypertension and resistant hypertension and is considered by many industry experts as having the potential to transform the treatment paradigm of hypertension. As of the date of this announcement, we held over 20 patents in relation to Iberis® with one registered in Japan. Iberis® was recognized as an "innovative medical device" by the NMPA in November 2016. On April 11, 2023, the Company announced that the randomized controlled trial of Iberis® Multi-Electrode Renal Artery Radiofrequency Ablation Catheter System in patients with Essential Hypertension has achieved its primary clinical endpoint according to the Statistical Report that the Company received. Detailed data has been presented at China Interventional Therapeutics 2023 and published in *Circulation* in 2024. For details, please refer to the Company's announcements dated April 11, 2023 and November 28, 2024.

On February 26, 2025, Iberis® RDN system was approved by the NMPA for the adjuvant treatment for resistant hypertension and hypertension patients with drug intolerance. In February 2025, the first commercial procedure for Iberis® RDN system was completed in Europe. For further details, please refer to the Company's announcements dated February 26, 2025 and March 3, 2025.

DCB Product Candidate

Our newly developed DCB is a sirolimus drug coated balloon catheter designed mainly for the treatment of in-stent restenosis. The drug coating contains sirolimus, amphipathic liposomes, biodegradable polymers and dispersants in a certain ratio to achieve efficient transfer and durable release of the drug coating. By encapsulating sirolimus in biodegradable nanoparticles to form nano drug-loaded microspheres, this method achieves a long release of approximately 90 days in the target vessel tissue.

Compared with paclitaxel, sirolimus has anti-inflammatory effect and its unique cytostatic effect potentially allows it to have higher safety, wider therapeutic window and reduced restenosis.

On March 27, 2025, the Company's SAKURA-SCB trial for ischemic heart disease in Japan has successfully enrolled its first patient in Tokyo. The trial is a single-blind, multicenter comparative study to evaluate the efficacy and safety of the sirolimus DCB product candidate. The procedure was conducted at The Cardiovascular Institute located in Tokyo. For further details, please refer to the Company's announcement dated March 28, 2025.

WE MAY NOT BE ABLE TO SUCCESSFULLY DEVELOP AND/OR MARKET OUR CORE PRODUCT, BIOHEART®, OR ANY OTHER PRODUCT CANDIDATES.

Research and Development

Our research and development team has been focusing on developing medical devices for the treatment of coronary diseases, as well as uncontrolled and resistant hypertension. We have independently developed a number of innovative medical devices and commercialized our first-generation RDN product in multiple regions. As of the date of this announcement, we had:

- one Core Product, one RDN product, as well as a sirolimus DCB product candidate in various stages of development and commercialization;

- over 70 registered patents and over 30 pending patent applications; and

- CE Marking and nine registration certificates for our first-generation RDN product commercialized in overseas markets.

Manufacturing

We have several manufacturing facilities located in Shanghai and a new manufacturing plant in construction in Jiaxing City, Zhejiang Province, which is expected to finish the renovation by the end of 2025 and officially put into use in 2026.

Commercialization

As of the date of this announcement, we have successfully commercialized the Iberis® 2nd RDN System in multiple countries and regions, including China, France, Germany, Italy, Spain, Turkey, Ecuador, etc.

Future and Outlook

Our goal is to become a world-renowned chronic disease management medical device platform. We plan to implement the following strategies to achieve this goal:

- rapidly advance the clinical development and commercialization of our product candidates, especially Bioheart® and Iberis®, in order to enjoy a "first-mover" advantage in the unmet BRS and RDN markets in China;

- enhance our sales efforts and strengthen our presence in the interventional cardiovascular device market in China;

- further enhance our research and development capabilities and expand our product portfolios;

- expand our manufacturing capabilities and build our in-house sales and marketing team;

- further expand our presence in China and globally; and

- actively seek opportunities for external partnerships, strategic investments and acquisitions to facilitate our future expansion.

II. FINANCIAL REVIEW

Revenue

Our revenue during the six months ended June 30, 2025 was derived from the commercialization of RDN products. We recognized revenue of RMB20.9 million for the six months ended June 30, 2025 (six months ended June 30, 2024: nil), including RMB20.5 million of sales of goods and RMB0.4 million from collaborations.

Cost of Sales

Cost of sales was RMB11.2 million during the six months ended June 30, 2025, which was due to the commercialization of Iberis® 2nd RDN system (six months ended June 30, 2024: nil).

Other Income and Gains

Our other income mainly consisted of government grants, bank interest income, foreign exchange gains and others. Our government grants mainly included government subsidies for compensating our expenses relating to certain research and development projects.

Our other income and gains decreased by RMB0.6 million from RMB1.4 million for the six months ended June 30, 2024 to RMB0.8 million for the six months ended June 30, 2025. The decrease was primarily attributable to the decrease of foreign exchange gains of RMB0.6 million during the Reporting Period.

Administrative Expenses

Our administrative expenses mainly consisted of (i) employee benefit expenses, (ii) depreciation and amortization expenses, (iii) professional service expenses, and (iv) utilities and office expenses. Employee benefit expenses mainly included salaries and other welfare for our administrative employees.

Our administrative expenses increased by RMB2.6 million from RMB7.1 million for the six months ended June 30, 2024 to RMB9.7 million for the six months ended June 30, 2025. The increase was primarily attributable to (i) the increase of professional service expenses by RMB1.2 million, and (ii) the increase of depreciation expenses by RMB0.7 million during the six months ended June 30, 2025.

Selling and Marketing Expenses

Our selling and marketing expenses mainly consisted of (i) employee benefit expenses for marketing staff, (ii) marketing and promotion fees, and (iii) travelling and business expenses.

Our selling and marketing expenses were primarily attributable to (i) salaries and pension schemes for marketing staff amounted to RMB0.7 million, and (ii) marketing and promotion fees for RDN products amounted to RMB0.3 million.

Research and Development Expenses

Our research and development expenses mainly consisted of (i) third party contracting cost, (ii) employee benefits expenses for our research and development staff, (iii) costs of raw materials and consumables used, and (iv) depreciation and amortization expenses.

Our research and development expenses decreased by RMB1.7 million from RMB21.8 million for the six months ended June 30, 2024 to RMB20.1 million for the six months ended June 30, 2025. The decrease was primarily attributable to the decrease of depreciation and amortization expenses by RMB2.3 million due to most of the machinery and equipment are used for production activities.

The following table sets forth a breakdown of our research and development expenses for the periods indicated:

	Six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Third party contracting cost	**9,991**	8,377
Employee benefit expenses	**3,730**	4,579
Costs of raw materials and consumables used	**2,673**	2,000
Depreciation and amortization expenses	**1,064**	3,337
Others	**2,632**	3,498
Total	**20,090**	21,791

Finance Costs

Our finance costs mainly consisted of (i) interest on lease liabilities relating to our lease of office premises, (ii) interest on redemption liabilities on a subsidiary's shares, and (iii) transaction costs attributable to redemption liabilities on a subsidiary's shares.

Our finance costs increased from RMB23.0 thousand for the six months ended June 30, 2024 to RMB6.6 million for the six months ended June 30, 2025. The increase was primarily attributable to (i) transaction costs attributable to redemption liabilities on a subsidiary's shares amounted to RMB3.2 million, (ii) interest on redemption liabilities on a subsidiary's shares amounted to RMB3.3 million.

Income Tax Credit

We recorded RMB0.7 million and nil in income tax credit for the six months ended June 30, 2025 and 2024, respectively.

Loss for the Period

Based on the factors described above, our net losses amounted to RMB26.7 million and RMB28.3 million for the six months ended June 30, 2025 and 2024, respectively.

Liquidity and Financial Resources

Our primary uses of cash are to fund the development of our product candidates, our clinical trials, our payment for the purchase of plant and equipment, administrative expenses and other recurring expenses. Going forward, we may also use some of our cash for the acquisition of property for constructing our own manufacturing facility. Our net cash used in operating activities was RMB8.7 million for the six months ended June 30, 2025, primarily attributable to the significant research and development expenses and administrative expenses we incurred during the Reporting Period. Our operating cash flow will continue to be affected by our research and development expenses. During the Reporting Period, we mainly relied on bank balances as the major sources of liquidity. Our management closely monitors uses of cash and cash balances and strives to maintain healthy liquidity for our operations. Going forward, we believe our liquidity requirements will be satisfied by a combination of net proceeds from Global Offering and cash generated from our operations.

Our net cash used in investing activities was RMB157.8 million for the six months ended June 30, 2025, primarily attributable to the purchases of time deposits amounted to RMB125.0 million.

Our net cash generated from financing activities was RMB151.6 million for the six months ended June 30, 2025, primarily attributable to the proceeds from the subscription by a shareholder of the equity interest in Zhejiang Bioheart Medical Device Co., Ltd. ("**Zhejiang Bioheart**") of RMB155.6 million.

As at June 30, 2025, we had cash and cash equivalents of RMB187.4 million, representing a decrease of 7.4% compared to RMB202.4 million as at December 31, 2024.

Our net current assets increased from RMB279.4 million as at December 31, 2024 to RMB389.2 million as at June 30, 2025, primarily attributable to the increase of time deposits.

Capital Expenditure

Our capital expenditure primarily consisted of expenditure on machinery, office equipment, motor vehicles and leasehold improvements.

Our capital expenditure decreased from RMB19.8 million for the six months ended June 30, 2024 to RMB0.2 million for the six months ended June 30, 2025. The decrease was primarily due to the completion of acquisition of manufacturing facility recorded in the prior period.

Indebtedness

As at June 30, 2025, we did not have any outstanding balance of borrowings nor any unutilized banking facilities.

Our lease liabilities decreased from RMB8.3 million as at December 31, 2024 to RMB7.6 million as at June 30, 2025, primarily attributable to the lease payments made during the Reporting Period.

Gearing Ratio

Our gearing ratio, which was calculated by using total liabilities divided by total assets and multiplied by 100%, increased from 7.3% as at December 31, 2024 to 25.6% as at June 30, 2025. The increase was primarily attributable to the increase of redemption liabilities on a subsidiary's shares.

Capital Commitments

As of June 30, 2025, our capital commitments decreased from RMB71.8 million as at December 31, 2024 to RMB44.0 million as at June 30, 2025, primarily due to expenditures on leasehold improvements and purchases of plant and machinery.

Pledge of Assets

As at June 30, 2025, we had no pledge of assets.

Contingent Liabilities

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

Significant Investments, Material Acquisitions and Disposals

On December 31, 2024, the Company, Zhejiang Bioheart and Jiaxing Guojian Baixin Equity Investment Partnership Enterprise (Limited Partnership)* (嘉興國健百心股權投資合夥企業(有限合夥)) (the "**Investor**") entered into an investment agreement, pursuant to which the Investor injected approximately RMB155.6 million into Zhejiang Bioheart (the "**Capital Injection**"), of which approximately RMB37.9 million was accounted for as paid-in registered capital of Zhejiang Bioheart, while the balance of approximately RMB117.7 million was accounted as its capital reserve. After completion of the Capital Injection, the Investor is interested in approximately 45.3% of the enlarged registered capital of Zhejiang Bioheart, and the Group's interest in Zhejiang Bioheart was diluted from 100% to approximately 54.7%. According to Rule 14.29 of the Listing Rules, the relevant dilution is considered as a deemed disposal of the Company's interest in a subsidiary (the "**Deemed Disposal**"). The Deemed Disposal has been considered and approved by the Shareholders at the extraordinary general meeting held on February 13, 2025. For details, please refer to the announcements of the Company dated January 2, 2025 and February 13, 2025 and the circular of the Company dated January 24, 2025.

Save as disclosed above and in this announcement, we did not hold any significant investments, nor did we conduct any material acquisitions and disposals of subsidiaries during the Reporting Period.

Foreign Exchange Exposure

We are exposed to foreign currency risk mainly arising from cash at bank denominated in USD. We currently do not have a foreign currency hedging policy. However, our management monitors foreign exchange exposure and will consider appropriate hedging measures in the future should the need arise.

Future Plans for Material Investments or Capital Assets

Save as otherwise disclosed in this announcement, the Group has no other material capital expenditure plan as of the date of this announcement.

Human Resources

As of June 30, 2025, the Group had 70 full-time employees, who were all based in China. The total employee benefits expenses of the Group, which consist of (i) wages, salaries and bonuses, (ii) contributions to statutory employee benefit plans, and (iii) employee welfare, were approximately RMB10.3 million for the Reporting Period.

We recruit our employees based on a number of factors, including work experience, educational background and the requirements of a relevant vacancy. We invest in continuing education and training programs for our management staff and other employees to upgrade their skills and knowledge continuously. We provide our employees with regular feedback as well as internal and external training in various areas, such as product knowledge, project development and team building. We also assess our employees based on their performance to determine their salary, promotion and career development. In compliance with the relevant PRC labor laws, we enter into individual employment contracts with our employees covering matters such as duration, wages, bonuses, employee benefits, workplace safety, confidentiality obligations, noncompetition and grounds for termination. The Group ensures that its remuneration packages are comprehensive and competitive from time to time. When determining the emolument payable to the Directors, we take into account the experience of the Directors, their level of responsibility and general market conditions. Any discretionary bonus and other merit payments of the Directors are linked to the profit performance of the Group and the individual performance of the Directors. Employees are remunerated with a fixed monthly income plus annual performance related bonus. In addition, we are required under PRC law to make contributions to statutory employee benefit plans (including pension plans, medical insurance, work-related injury insurance, unemployment insurance, maternity insurance and housing funds) at a certain percentage of our employees' salaries, including bonus and allowances, up to a maximum amount specified by the local government.

In September 2020, the Board passed a resolution to grant up to 14,509,413 restricted shares of the Company to directors, employees and founders of the Company and AngioCare (the "**2020 Plan**"). The 2020 Plan was established in order to retain certain eligible employees for the continual operation and development of the Group. The subscription price paid by the shareholding platforms of the 2020 Plan was RMB1.0 per share of the Company.

On June 27, 2022, the annual general meeting approved the proposed adoption of the 2022 H Share Incentive Scheme (the "**2022 Scheme**"). The 2022 Scheme originally aimed to attract, motivate and retain highly skilled and experienced personnel to strive for the future development and expansion of the Group. The 2022 Scheme was also intended to help the Company to modernize the remuneration practices and to improve the interests balancing mechanism among Shareholders, the operational and executive management by aligning their interests as a whole.

Given that the Company did not expect to grant any awards under the 2022 Scheme and in order to reduce administrative costs, the 2022 Scheme was terminated by the Board with effect from May 23, 2025. On June 19, 2025, the proposal on the repurchase and cancellation of a total of 519,900 H Shares in relation to the 2022 Scheme (the "**Acquired Award Shares**") and the reduction of the registered share capital of the Company were considered and approved by way of special resolutions of the Shareholders at the annual general meeting of the Company. On August 7, 2025, the Acquired Award Shares were acquired by the Company from the trustee through an off-market arrangement at nil consideration, and subsequently cancelled on the same date. The registered share capital of the Company was also changed from RMB243,937,000 to RMB243,417,100 immediately after the completion of the repurchase and cancellation of the Acquired Award Shares.

For details, please refer to the Company's announcements dated May 23, 2025, June 2, 2025, June 19, 2025 and August 7, 2025 and the circular of the Company dated May 28, 2025, respectively.

USE OF PROCEEDS

On December 23, 2021, the Company was successfully listed on the Stock Exchange. The net proceeds received by the Group from the Global Offering after deducting underwriting fee and relevant expenses amounted to approximately HK$441.69 million.

On March 31, 2023, the Board has reallocated the unutilized proceeds originally for "To fund the research and development, ongoing preclinical studies and planned clinical trials of other product candidates in our pipeline, including Bio-LeapTM, Bioheart UltraTM, our Bioheart® ballon dilatation catheter, our Bioheart® non-compliant (high-pressure) balloon dilatation catheter and our Bioheart® impulse balloon dilatation catheters" to "To fund the research and development of DCB". For details, please refer to the announcement of the Company dated March 31, 2023.

On February 8, 2024, the Board resolved to change the use of unutilized net proceeds from the Global Offering as follows:

(i) reallocating approximately HK$26.37 million, which was originally allocated for funding the ongoing randomized controlled clinical trial in China for, and the continuous development of, the Group's RDN product candidate, Iberis® 2nd, to funding the acquisition of the Property, which was completed in March 2024; and

(ii) reallocating approximately HK$70 million, which was originally allocated for funding the ongoing confirmatory clinical trial, preparation for registration filings, and planned commercial launch of the Company's Core Product, Bioheart®, to funding the research and development of DCB.

For details, please refer to the announcement of the Company dated February 8, 2024.

On October 30, 2024, the Board resolved to further change the use of unutilized net proceeds from the Global Offering as follows:

(i) reallocating approximately HK$51.48 million, which was originally allocated for "funding the ongoing confirmatory clinical trial, preparation for registration filings, and planned commercial launch of the Company's Core Product, Bioheart®", to "funding the construction of manufacturing facility and sales center and the subsequent commercial operation";

(ii) reallocating approximately HK$10 million, which was originally allocated for "funding the ongoing confirmatory clinical trial, preparation for registration filings, and planned commercial launch of the Company's Core Product, Bioheart®", to "funding the ongoing randomized controlled clinical trial in China for, and the continuous development of, the Group's RDN product candidate, Iberis® 2nd"; and

(iii) reallocating approximately HK$8 million, which was originally allocated for "funding the ongoing confirmatory clinical trial, preparation for registration filings, and planned commercial launch of the Company's Core Product, Bioheart®", to "general corporate and working capital purposes".

For details, please refer to the announcement of the Company dated October 30, 2024.

The table below sets out the planned applications of the net proceeds from the Global Offering (after taking into account the revised allocation of the net proceeds on March 31, 2023, February 8, 2024 and October 30, 2024) and actual usage as of June 30, 2025:

Use of Net Proceeds	**Revised allocation of the Net Proceeds** *(HK$ million)*	**Unutilized amount as at January 1, 2025** *(HK$ million)*	**Utilized amount during the Reporting Period** *(HK$ million)*	**Unutilized amount as of June 30, 2025**[(1)] *(HK$ million)*	**Expected timeline of full utilization of the unutilized proceeds**[(2)]
To fund the ongoing confirmatory clinical trial, preparation for registration filings, and planned commercial launch of the Company's Core Product, Bioheart®	134.37	19.35	3.78	15.57	December 2027
To fund the ongoing randomized controlled clinical trial in China for, and the continuous development of, the Group's RDN product candidate, Iberis® 2nd	77.71	11.50	11.50	–	NA
To fund the acquisition of manufacturing facility for the Group's RDN product candidate, Iberis® 2nd	26.37	–	–	–	NA
To fund the construction of manufacturing facility and sales center and the subsequent commercial operation	51.48	19.05	0.16	18.89	December 2027

Use of Net Proceeds	Revised allocation of the Net Proceeds *(HK$ million)*	Unutilized amount as at January 1, 2025 *(HK$ million)*	Utilized amount during the Reporting Period *(HK$ million)*	Unutilized amount as of June 30, 2025[1] *(HK$ million)*	Expected timeline of full utilization of the unutilized proceeds[2]
To fund the research and development, ongoing preclinical studies and planned clinical trials of other product candidates in the Group's pipeline, including Bio-Leap™, Bioheart Ultra™, our Bioheart® balloon dilatation catheter, our Bioheart® non-compliant (high-pressure) balloon dilatation catheter and our Bioheart® impulse balloon dilatation catheters	12.34	–	–	–	NA
General corporate and working capital purposes	52.17	6.84	6.84	–	NA
To fund the research and development of DCB	87.25	2.35	2.35	–	NA
	441.69	59.09	24.63	34.46	

Notes:

1 As of June 30, 2025, the unused net proceeds were deposited with certain licensed banks in Hong Kong or the PRC.

2 The expected timeline to use the remaining proceeds is prepared based on the best estimate made by the Group, which is subject to change according to the current and future development of the market condition.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the articles of association of the Company, or the laws of the PRC, which would oblige the Company to offer new shares of the Company on a pro-rata basis to its existing shareholders.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Save for the repurchase and cancellation of H Shares in relation to the 2022 Scheme as disclosed in the section headed "II. Financial Review – Human Resources" in this announcement, neither the Company or any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares, if any) during the Reporting Period. The Company did not have any treasury shares as defined under the Listing Rules as of June 30, 2025. Treasury shares presented to the interim condensed consolidated financial information includes shares acquired by trustees of trusts set up in connection with share incentive schemes of the Group, and does not fall within the meaning of "treasury shares" under the Listing Rules.

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended June 30, 2025 (six months ended June 30, 2024: Nil).

SUBSEQUENT EVENT AFTER THE REPORTING PERIOD

Save as disclosed in this announcement, there is no material subsequent event undertaken by the Company or by the Group after the Reporting Period and up to the date of this announcement.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct regarding securities transactions by the Directors, Supervisors and the Company's senior management who, because of his/her office or employment, is likely to possess inside information in relation to Company or its securities. Having made specific enquiries with all Directors and Supervisors, each of them has confirmed that he/she has complied with the Model Code during the Reporting Period. No incident of non-compliance of the Model Code by the employees who are likely to be in possession of inside information of the Company was noted by the Company.

CORPORATE GOVERNANCE CODE

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 of the Company as a whole. The Company has adopted the code provisions of the CG Code as its own code of corporate governance. During the Reporting Period, the Company has complied with all applicable code provisions set out in Part 2 of the CG Code, except for the following deviation from code provision C.2.1 of the CG Code.

Under code provision C.2.1 of Part 2 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Wang is our chairman of the Board and the general manager of the Company. Mr. Wang has extensive experience in the pharmaceutical industry and has served in the Company since its establishment. Mr. Wang is in charge of overall management, business, strategic development and scientific R&D of the Group. Despite the fact that the roles of our chairman of the Board and our general manager are both performed by Mr. Wang which constitutes a deviation from code provision C.2.1 of Part 2 of the CG Code, the Board considers that vesting the roles of the chairman of the Board and the chief executive officer in the same person is beneficial to the management of the Group. The Board also believes that the combined role of the chairman of the Board and the chief executive officer of the Company can promote the effective execution of strategic initiatives and facilitate the flow of information between management and the Board.

The balance of power and authority is ensured by the operation of the Board, which comprises experienced and diverse individuals. The Board currently comprises three executive Directors (including Mr. Wang) and three independent non-executive Directors, and therefore has a strong independent element in its composition. The Board will continue to review the effectiveness of the corporate governance structure of the Group in order to assess whether separation of the roles of chairman and the chief executive officer is necessary.

REVIEW OF INTERIM RESULTS

The Board has established the Audit Committee with terms of reference in compliance with the Listing Rules. The Audit Committee consists of three independent non-executive Directors, namely Mr. Yiqing CHEN, Mr. Xubo LU and Mr. Yifei JIANG. Mr. Yiqing CHEN serves as the chairman of the Audit Committee, who has the professional qualification and experience in financial matters in compliance with the requirements of the Listing Rules. The primary duties of the Audit Committee are to review and supervise the Company's financial reporting process and internal controls and risk management system, overseeing the audit process and performing other duties and responsibilities as assigned by the Board.

The Audit Committee, together with the management of the Company, have considered and reviewed the Group's interim results for the Reporting Period and the accounting principles and policies adopted by the Group and discussed internal control, risk management and financial reporting matters, including the review of the unaudited condensed consolidated interim financial results and the interim report of the Group for the Reporting Period, and is of the view that the interim results of the Group has been prepared in accordance with applicable accounting standards, rules and regulations and appropriate disclosures have been duly made.

PUBLICATION OF THE 2025 CONDENSED CONSOLIDATED INTERIM RESULTS AND INTERIM REPORT

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.bio-heart.com). The 2025 interim report of the Company containing all the information required by the Listing Rules will be published on the above websites in due course.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings.

"AngioCare"	Shanghai AngioCare Medical Technology Co., Ltd.* (上海安通醫療科技有限公司), a subsidiary of the Company
"Audit Committee"	the audit committee of the Board
"Board"	the board of directors of the Company
"BRS"	Bioheart® bioresorbable scaffold
"CG Code"	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
"China" or "PRC"	the People's Republic of China, which, for the purpose of this announcement and for geographical reference only, excludes Hong Kong, Macau and Taiwan

"Company"	Shanghai Bio-heart Biological Technology Co., Ltd. (上海百心安生物技術股份有限公司), a joint stock company incorporated in the PRC with limited liability on December 8, 2020, or, where the context requires (as the case may be), its predecessor with the same English name (上海百心安生物技術有限公司), a limited liability company established in the PRC on July 18, 2014
"Core Product"	Bioheart®, the designated "core product" as defined under Chapter 18A of the Listing Rules
"DCB"	drug coated balloon
"Director(s)"	the director(s) of the Company or any one of them
"Global Offering"	the global offering of the H Shares, details of which are set forth in the Prospectus
"Group", "our", "we", or "us"	the Company and all of its subsidiaries, or any one of them as the context may require or, where the context refers to any time prior to its incorporation, the business which its predecessors or the predecessors of its present subsidiaries, or any one of them as the context may require, were or was engaged in and which were subsequently assumed by it
"H Share(s)"	overseas listed foreign invested ordinary share(s) in the ordinary share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Stock Exchange
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"HK$"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong

"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time)
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
"Mr. Wang"	Mr. Philip Li Wang (汪立), our Founder, Controlling Shareholder, the chairman of our Board, our general manager and an executive Director of the Company
"NMPA"	the National Medical Product Administration of the PRC (國家藥品監督管理局), successor to the China Food and Drug Administration or CFDA (國家食品藥品監督管理總局)
"Prospectus"	the prospectus of the Company dated December 13, 2021
"R&D"	research and development
"RDN"	renal denervation
"Reporting Period"	the six months ended June 30, 2025
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) in the capital of the Company with a nominal value of RMB1.00 each, comprising, Unlisted Foreign Shares and H Shares
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Supervisor(s)"	the supervisor(s) of the Company
"United States" or "U.S."	the United States of America, its territories, its possessions and all areas subject to its jurisdiction

"Unlisted Foreign Shares"	ordinary shares issued by the Company with a nominal value of RMB1.00 each and are held by foreign investors and are not listed on any stock exchange
"USD"	United States dollars, the lawful currency of the United States
"%"	per cent

By Order of the Board
Shanghai Bio-heart Biological Technology Co., Ltd.
Philip Li WANG
Chairman and executive Director

Shanghai, the People's Republic of China, August 26, 2025

As at the date of this announcement, the Board of the Company comprises Mr. Philip Li WANG as chairman and executive Director, Mr. Yunqing WANG and Ms. Peili WANG as executive Directors and Mr. Yiqing CHEN, Mr. Xubo LU and Mr. Yifei JIANG as independent non-executive Directors.

* *For identification purposes only*