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## **LifeTech Scientific Corporation**

**先健科技公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1302)**

### **INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025**

#### **FINANCIAL HIGHLIGHTS**

- The turnover for the six months ended 30 June 2025 was approximately RMB676.7 million, representing an increase of approximately 3.7% as compared with the turnover of approximately RMB652.8 million for the six months ended 30 June 2024. Gross profit for the six months ended 30 June 2025 was approximately RMB497.8 million, representing a decrease of approximately 3.4% as compared with the gross profit of approximately RMB515.4 million for the six months ended 30 June 2024.
- Net profit attributable to owners of the Company for the six months ended 30 June 2025, excluding certain non-recurring items as set out below, was approximately RMB238.5 million as compared with the net profit amounting to approximately RMB233.6 million for the six months ended 30 June 2024, representing an increase of approximately 2.1%. Such non-recurring items include (i) the other gains arising from financial assets at fair value through profit or loss ("FVTPL") of approximately RMB9.9 million for the six months ended 30 June 2025 (corresponding period of 2024: gains of approximately RMB32.9 million); and (ii) the share-based payment expenses of approximately RMB193.5 million for the six months ended 30 June 2025 (corresponding period of 2024: approximately RMB61.3 million). Taking into account the effects of such non-recurring items, the net profit attributable to owners of the Company for the six months ended 30 June 2025 was approximately RMB55.1 million, with a decrease of approximately 73.2% as compared with approximately RMB205.6 million for the six months ended 30 June 2024. The decrease was mainly due to the change in non-recurring items.
- The Board did not recommend the payment of any interim dividends for the six months ended 30 June 2025 (corresponding period of 2024: nil).

## UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board (the “Board”) of directors (the “Directors”, each a “Director”) of LifeTech Scientific Corporation (the “Company” or “Lifetech”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 June 2025 (the “Reporting Period”) together with the comparative figures for the corresponding period of 2024.

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

For the six months ended 30 June 2025

		<b>Six months ended 30 June</b>	
		<b>2025</b>	<b>2024</b>
	NOTES	<b>RMB'000</b>	<b>RMB'000</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
Revenue	4	<b>676,707</b>	652,831
Cost of sales		<b>(178,952)</b>	(137,447)
Gross profit		<b>497,755</b>	515,384
Other income, expenses, gains and losses	5	<b>50,365</b>	49,125
Selling and distribution expenses		<b>(250,905)</b>	(149,983)
Administration expenses		<b>(118,369)</b>	(72,594)
Research and development expenses		<b>(114,459)</b>	(139,926)
Operating profit		<b>64,387</b>	202,006
Finance income, net		<b>10,122</b>	8,004
Share of gains (losses) of associates		<b>5,291</b>	(1,365)
Profit before tax	6	<b>79,800</b>	208,645
Income tax expense	7	<b>(38,035)</b>	(22,837)
Profit for the period		<b>41,765</b>	185,808
Other comprehensive income (expense):			
<i>Items that will not be reclassified to profit or loss:</i>			
Fair value gain (loss) and exchange differences on investments in equity instruments at fair value through other comprehensive income (“FVTOCI”), net of tax		<b>26,311</b>	(93,036)
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		<b>(614)</b>	(169)
Other comprehensive income (expense) for the period		<b>25,697</b>	(93,205)
Total comprehensive income for the period		<b>67,462</b>	92,603
Profit (loss) for the period attributable to:			
Owners of the Company		<b>55,074</b>	205,557
Non-controlling interests		<b>(13,309)</b>	(19,749)
		<b>41,765</b>	185,808
Total comprehensive income (expense) attributable to:			
Owners of the Company		<b>80,771</b>	112,352
Non-controlling interests		<b>(13,309)</b>	(19,749)
		<b>67,462</b>	92,603
Earnings per share	9		
– Basic		<b>RMB1.3 cents</b>	RMB4.6 cents
– Diluted		<b>RMB1.3 cents</b>	RMB4.6 cents

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	NOTES	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
<b>Non-current assets</b>			
Property, plant and equipment		931,071	931,036
Right-of-use assets		43,875	45,468
Investment properties		288,272	292,994
Intangible assets		763,318	730,661
Interests in associates		210,118	72,692
Financial assets at FVTPL	10	262,018	252,149
Equity instruments at FVTOCI	11	43,410	17,099
Deposits for acquisition of property, plant and equipment		20,260	26,964
Deferred tax assets		118,053	117,142
Fixed bank deposits		80,000	80,000
		<b>2,760,395</b>	<b>2,566,205</b>
<b>Current assets</b>			
Inventories		493,559	532,398
Trade receivables	12	205,212	136,690
Other receivables and prepayments	13	479,543	478,222
Financial assets at FVTPL	10	441,000	311,000
Fixed bank deposits		171,367	205,133
Restricted bank deposits		—	4,975
Cash and cash equivalents		782,609	665,755
		<b>2,573,290</b>	<b>2,334,173</b>
<b>Current liabilities</b>			
Trade and other payables	14	841,265	758,212
Contract liabilities		95,515	21,435
Tax liabilities		53,423	32,204
Lease liabilities		3,059	3,787
		<b>993,262</b>	<b>815,638</b>
<b>Net current assets</b>		<b>1,580,028</b>	<b>1,518,535</b>
<b>Total assets less current liabilities</b>		<b>4,340,423</b>	<b>4,084,740</b>

		<b>30 June</b>	31 December
	NOTES	<b>2025</b>	2024
		<b>RMB'000</b>	RMB'000
		<b>(Unaudited)</b>	(Audited)
<b>Non-current liabilities</b>			
Government grants		<b>44,298</b>	49,793
Lease liabilities		<b>849</b>	1,192
Financial liabilities at FVTPL	15	<b>558,326</b>	558,326
		<b>603,473</b>	609,311
<b>Net assets</b>		<b>3,736,950</b>	3,475,429
<b>Capital and reserves</b>			
Share capital	16	<b>37</b>	37
Reserves		<b>3,770,162</b>	3,494,470
Equity attributable to owners of the Company		<b>3,770,199</b>	3,494,507
Non-controlling interests		<b>(33,249)</b>	(19,078)
<b>Total equity</b>		<b>3,736,950</b>	3,475,429

## **NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the six months ended 30 June 2025

### **1. GENERAL INFORMATION**

The Company was incorporated in the Cayman Islands on 17 August 2006 as an exempted company with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Mr. Xie Yuehui, is the Chairman and Chief Executive Officer of the Company. The address of the registered office is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands and the address of the principal place of business is LifeTech Scientific Building, No.22, Keji 12th Road South, High-tech Industrial Park, Nanshan District, Shenzhen, Guangdong Province, the People's Republic of China (the "PRC").

The Company is an investment holding company. The principal activities of the Group are developing, manufacturing and trading of advanced interventional medical devices for cardiovascular and peripheral vascular diseases and disorders.

The condensed consolidated financial statements are presented in Renminbi ("RMB"), which is the functional currency of the Company and the Group's major operating subsidiaries.

### **2. BASIS OF PREPARATION**

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2025 have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" issued by the International Accounting Standards Board ("IASB") as well as with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

### **3. PRINCIPAL ACCOUNTING POLICIES**

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2025 are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2024.

In addition, in the current interim period, the Group has applied, for the first time, a new interpretation and certain amendments to International Financial Reporting Standards ("IFRSs") issued by the IASB that are mandatorily effective for the current interim period. The application of the above new interpretation and amendments to IFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

#### 4. SEGMENT INFORMATION

The segment information reported internally was analysed on the basis of their products supplied by the Group's operating divisions which is consistent with the internal information that is regularly reviewed by executive Directors of the Company, the chief operating decision makers, for the purposes of resource allocation and assessment of performance.

The Group's operating segments under IFRSs 8 are as follows:

- Structural heart diseases business: trade, manufacture, research and development of devices related to structural heart diseases.
- Peripheral vascular diseases business: trade, manufacture, research and development of devices related to peripheral vascular diseases.
- Cardiac pacing and electrophysiology business: trade, manufacture, research and development of devices related to cardiac pacing and electrophysiology.

Information regarding the above segments is reported below.

##### [A] SEGMENT REVENUE AND RESULTS

The following is an analysis of the Group's revenue and results by operating and reportable segments:

##### For the six months ended 30 June 2025

	Structural heart diseases business RMB'000 (Unaudited)	Peripheral vascular diseases business RMB'000 (Unaudited)	Cardiac pacing and electrophysiology business RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
<b>SEGMENT REVENUE</b>				
External sales	<u>271,539</u>	<u>391,693</u>	<u>13,475</u>	<u>676,707</u>
Segment profit	<u>237,686</u>	<u>258,214</u>	<u>1,855</u>	<u>497,755</u>
Unallocated income				
– Other income and other gains				63,730
– Finance income				10,257
– Share of gains of associates				5,291
Unallocated expense				
– Selling and distribution expenses				(250,905)
– Administration expenses				(118,369)
– Research and development expenses				(114,459)
– Other expenses and losses				(13,365)
– Finance costs				<u>(135)</u>
Profit before tax				<u><u>79,800</u></u>

For the six months ended 30 June 2024

	Structural heart diseases business RMB'000 (Unaudited)	Peripheral vascular diseases business RMB'000 (Unaudited)	Cardiac pacing and electrophysiology business RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
<b>SEGMENT REVENUE</b>				
External sales	271,250	380,725	856	652,831
Segment profit (losses)	243,166	285,320	(13,102)	515,384
Unallocated income				
– Other income and other gains				76,135
– Finance income				8,886
Unallocated expense				
– Selling and distribution expenses				(149,983)
– Administration expenses				(72,594)
– Research and development expenses				(139,926)
– Other expenses and losses				(27,010)
– Finance costs				(882)
– Share of losses of associates				(1,365)
Profit before tax				208,645

Segment profit represents the gross profit earned by each segment without allocation of all other items of income and expenses, as set out above. This is the measure reported to the chief operating decision makers, the executive Directors of the Company, for the purposes of resources allocation and assessment of segment performance.

## (B) SEGMENT ASSETS AND LIABILITIES

The following is an analysis of the Group's assets and liabilities by operating and reportable segments:

### SEGMENT ASSETS

	<b>30 June 2025 RMB'000 (Unaudited)</b>	31 December 2024 RMB'000 (Audited)
Operating segments:		
Structural heart diseases business	<b>768,334</b>	688,026
Peripheral vascular diseases business	<b>1,108,398</b>	979,544
Cardiac pacing and electrophysiology business	<b>53,239</b>	70,595
Total segment assets	<b>1,929,971</b>	1,738,165
Unallocated assets		
Interests in associates	<b>210,118</b>	72,692
Property, plant and equipment	<b>413,127</b>	542,596
Right-of-use assets	<b>43,875</b>	45,468
Investment properties	<b>288,272</b>	292,994
Deferred tax assets	<b>118,053</b>	117,142
Financial assets at FVTPL	<b>703,018</b>	563,149
Equity instruments at FVTOCI	<b>43,410</b>	17,099
Other receivables and prepayments	<b>479,543</b>	478,222
Cash and cash equivalents	<b>782,609</b>	665,755
Restricted bank deposits	<b>—</b>	4,975
Fixed bank deposits	<b>251,367</b>	285,133
Intangible assets	<b>50,062</b>	50,024
Deposits for acquisition of property, plant and equipment	<b>20,260</b>	26,964
Consolidated assets	<b>5,333,685</b>	4,900,378



## SEGMENT LIABILITIES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Operating segments:		
Structural heart diseases business	172,333	127,440
Peripheral vascular diseases business	248,607	181,439
Cardiac pacing and electrophysiology business	28,525	22,733
Total segment liabilities	449,465	331,612
Unallocated liabilities		
Other payables	483,235	443,377
Lease liabilities	3,908	4,979
Tax liabilities	53,423	32,204
Government grants	48,378	54,451
Financial liabilities at FVTPL	558,326	558,326
Consolidated liabilities	1,596,735	1,424,949

For the purposes of monitoring segment performances and allocating resources between segments:

- All assets are allocated to operating segments other than interests in associates, certain property, plant and equipment, right-of-use assets, investment properties, deferred tax assets, financial assets at FVTPL, equity instruments at FVTOCI, other receivables and prepayments, cash and cash equivalents, fixed bank deposits, restricted bank deposits, certain intangible assets and deposits for acquisition of property, plant and equipment; and
- All liabilities are allocated to operating segments in arriving at segment liabilities, which exclude certain other payables, tax liabilities, government grants (include current portion under other payables and non-current portion), lease liabilities and financial liabilities at FVTPL.

## 5. OTHER INCOME, EXPENSES, GAINS AND LOSSES

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Other income and expenses		
Government grants	<b>7,989</b>	7,941
Rental income generated from investment properties	<b>17,712</b>	17,097
Depreciation of investment properties	<b>(4,722)</b>	(4,397)
Others	<b>(4,246)</b>	(1,831)
	<b>16,733</b>	18,810
Other gains and losses		
Losses on disposal of property, plant and equipment and intangible assets	<b>(269)</b>	—
Gains (losses) from changes in fair value of hybrid funds	<b>13,996</b>	(18,243)
(Losses) gains from changes in fair value of equity funds	<b>(3,260)</b>	50,163
Unrealised foreign exchange (losses) gains in financial assets at FVTPL	<b>(868)</b>	934
Other net foreign exchange gains (losses)	<b>24,033</b>	(2,539)
	<b>33,632</b>	30,315
	<b>50,365</b>	49,125

## 6. PROFIT BEFORE TAX

	<b>Six months ended 30 June</b>	
	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Unaudited)
Profit before tax has been arrived at after charging (crediting):		
Staff costs, including directors' remuneration		
Directors' fees	<b>360</b>	360
Salaries, wages, performance related bonus and other benefits	<b>168,296</b>	168,356
Share-based payment expenses	<b>193,500</b>	61,325
Retirement benefits scheme contributions	<b>18,658</b>	18,032
Less: capitalised in development costs, construction in progress and inventories	<b>(21,238)</b>	(19,849)
	<b>359,576</b>	228,224
Cost of inventories recognised as expenses	<b>178,952</b>	137,447
Depreciation of property, plant and equipment	<b>26,415</b>	25,562
Depreciation of right-of-use assets	<b>2,678</b>	4,989
Depreciation of investment properties	<b>4,722</b>	4,397
Amortisation of intangible assets	<b>8,935</b>	6,828
Total depreciation and amortisation	<b>42,750</b>	41,776
Gross rental income from investment properties	<b>(17,712)</b>	(17,097)
Less: direct operating expenses incurred for investment properties that generated rental income during the period	<b>4,722</b>	4,397
	<b>(12,990)</b>	(12,700)

## 7. INCOME TAX EXPENSE

	<b>Six months ended 30 June</b>	
	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Unaudited)
Current tax charge:		
PRC Enterprise Income Tax ("PRC EIT")	<b>30,415</b>	34,210
Hong Kong Profits Tax	<b>8,530</b>	8,059
Deferred tax credit:		
Current period	<b>(910)</b>	(19,432)
	<b>38,035</b>	22,837

The Company is tax exempted under the laws of the Cayman Islands.

Lifetech Scientific International Holding Limited, a subsidiary of the Company, is subject to Hong Kong Profits Tax. On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2018 (the "Bill") which introduced the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HKD2.0 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HKD2.0 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5% on assessable profits earned in Hong Kong.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% except for Lifetech Scientific Shenzhen Co., Ltd. (先健科技(深圳)有限公司) ("Lifetech Shenzhen"), the major operating subsidiary in the PRC. Lifetech Shenzhen has been qualified as a High and New Technology Enterprise since 2009, which was subsequently renewed in November 2023, and therefore Lifetech Shenzhen is entitled to a preferential corporate income tax rate of 15% for the periods ended 30 June 2025 and 2024.

The applicable income tax rate of Lifetech Scientific India Private Ltd. in the jurisdiction of India is 30.9% on its taxable profits. No provision for taxation in India has been made as there is no assessable profits in India for both periods.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

## 8. DIVIDENDS

No dividend was paid, declared or proposed during the interim periods ended 30 June 2025 and 2024, nor has any dividend been proposed since the end of the Reporting Period.

## 9. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	<b>Six months ended 30 June</b>	
	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Unaudited)
<b>Earnings:</b>		
Earnings for the purposes of basic and diluted earnings per share	<b>55,074</b>	205,557
	<b>Six months ended 30 June</b>	
	<b>2025</b>	2024
	<b>'000</b>	'000
	<b>(Unaudited)</b>	(Unaudited)
<b>Number of shares:</b>		
Weighted average number of ordinary shares for the purpose of basic earnings per share (Note)	<b>4,344,028</b>	4,420,884
Effect of dilutive potential ordinary shares:		
Share options	<b>130</b>	12,927
Award shares	<b>6,490</b>	18,351
Weighted average number of ordinary shares for the purpose of diluted earnings per share (Note)	<b>4,350,648</b>	4,452,162

The computation of diluted earnings per share does not assume the conversion certain of the Company's share options because the exercise price of those options was higher than the average market prices for shares for the six months ended 30 June 2025 and 2024.

Note: Treasury shares are deducted from total number of shares in issue for the purpose of calculating earnings per share.

## 10. FINANCIAL ASSETS AT FVTPL

	<b>30 June 2025 RMB'000 (Unaudited)</b>	31 December 2024 RMB'000 (Audited)
Financial assets mandatorily measured at FVTPL:		
Non-current assets		
Unlisted funds		
– Equity funds (Note i)	<b>205,302</b>	209,430
– Hybrid funds (Note ii)	<b>56,636</b>	42,639
Others	<b>80</b>	80
	<b>262,018</b>	252,149
Current assets		
Short-term bank structured deposits (Note iii)	<b>441,000</b>	311,000

Notes:

- (i) On 25 May 2018, the Group entered into a subscription agreement with certain independent third parties pursuant to which the Group agreed to subscribe for interest of a private equity fund ("2018 Equity Fund"), as a limited partner, for an aggregate consideration of USD6,000,000 (equivalent to approximately RMB38,202,000) in cash. The 2018 Equity Fund principally invests in securities or assets of companies that are involved in the healthcare industry, with a particular focus on cross-border innovative late-stage venture opportunities and cross-over investments.

On 24 October 2022, the Group entered into a subscription agreement with certain independent third parties pursuant to which the Group agreed to subscribe for interest of a private equity fund ("2022 Equity Fund"), as a limited partner, for an aggregate consideration of USD20,000,000 (equivalent to approximately RMB144,378,000) in cash. The purposes of the 2022 Equity Fund are to seek capital appreciation primarily by acquiring, holding and disposing of securities, independently or with others, primarily in non-listed or, sometimes, listed persons involved in the healthcare industry, with a particular focus on leading innovative technologies.

- (ii) On 8 January 2021, the Group entered into a contract to purchase the 2021 Hybrid Fund unit ("2021 Hybrid Fund") with a financial institution, which was accounted for as financial assets at FVTPL on initial recognition, for a consideration of RMB10,000,000 in cash.

On 28 November 2023, the Group entered into a contract to purchase the 2023 Hybrid Fund unit ("2023 Hybrid Fund") with a financial institution, which was accounted for as financial assets at FVTPL on initial recognition, for a consideration of RMB50,000,000 in cash.

- (iii) During the six months ended 30 June 2025, Lifetech Shenzhen entered into structured deposit agreements with certain banks in PRC.

The equity funds are managed by fund/investment managers, and the Group does not have rights to engage in the management of the equity funds. The Group, as a limited partner in the equity funds does not have the rights to participate in the financial and operating policy decisions of the equity funds. As such, the Group does not have significant influence over the equity funds, and therefore they are not accounted for as associates.

The equity funds and hybrid funds are accounted for as financial assets at FVTPL in accordance with IFRS 9. In the opinion of the directors of the Company, these funds are held for long-term strategic investment purposes and as such, the investments are classified as non-current assets.

The Group holds approximately 9.69% (31 December 2024: approximately 9.69%) and approximately 4.60% (31 December 2024: approximately 4.60%) interest respectively in the 2018 Equity Fund and 2022 Equity Fund as at 30 June 2025.

## 11. EQUITY INSTRUMENTS AT FVTOCI

	<b>30 June 2025 RMB'000 (Unaudited)</b>	31 December 2024 RMB'000 (Audited)
Listed:		
– Equity securities listed in Hong Kong (Note)	<b>43,410</b>	17,099

Note:

On 21 September 2022, the Group entered into a subscription agreement with Jenscare Scientific Co., Ltd. (寧波健世科技股份有限公司) (“Jenscare Scientific”) pursuant to which the Group agreed to subscribe for shares of Jenscare Scientific upon the initial public offering, as a cornerstone investor, for an aggregate consideration of USD20,000,000 (equivalent to approximately RMB143,947,000) in cash with the subscription price of HKD27.8 per share. There is a lock-up period of six months upon the initial public offering on 10 October 2022.

In the opinion of the directors of the Company, the investment is held for long-term strategic investment purposes and as such, it is classified as non-current asset.

## 12. TRADE RECEIVABLES

The Group normally allows a credit period of 30 to 180 days (corresponding period of 2024: 30 to 180 days) to its trade customers. The following is an aged analysis of trade receivables, net of allowance for credit losses, presented based on the invoice dates at the end of the Reporting Period, which approximated the respective revenue recognition dates:

	<b>30 June 2025 RMB'000 (Unaudited)</b>	31 December 2024 RMB'000 (Audited)
1 - 90 days	<b>158,755</b>	124,812
91 - 180 days	<b>36,504</b>	6,616
181 - 365 days	<b>7,328</b>	2,760
Over 365 days	<b>2,625</b>	2,502
	<b>205,212</b>	136,690

### 13. OTHER RECEIVABLES AND PREPAYMENTS

	<b>30 June 2025 RMB'000 (Unaudited)</b>	31 December 2024 RMB'000 (Audited)
Other debtors (Note i)	<b>41,110</b>	18,823
Value added tax deductible	<b>47,720</b>	76,596
Prepayments	<b>72,735</b>	67,928
Advance to employees - interest free	<b>29,890</b>	22,904
Advance to employees - others (Note ii)	<b>284,495</b>	287,519
Rental deposits	<b>1,826</b>	2,874
Other deposits	<b>1,767</b>	1,578
	<b>479,543</b>	478,222

Notes:

- (i) Amounts are unsecured and interest-free. In the opinion of the directors, the Group will demand for repayments within one year from the end of the Reporting Period and the amounts are therefore considered as current.

Included in the amount as at 30 June 2025 was the balance to an associate amounting to RMB2,416,000 (31 December 2024: RMB1,775,000).

- (ii) As at 30 June 2025 and 31 December 2024, the advance to employees represents deferred payment from employees of the Group who acquired 230,945,000 shares under the Group's 2019 Share Award Scheme for a purchase price of HKD1.35 per share. The deferred payments are secured by the corresponding shares. None of these employees is a connected person of the Company as defined under the Listing Rules.

Pursuant to the conditions accepted by these employees and with the consent of the Company, the ownership of such shares has been transferred to these employees and they are obliged to pay for such shares and complete the taking up of such shares within the remaining life of the 2019 Share Award Scheme.

### 14. TRADE PAYABLES

The credit period granted by suppliers to the Group ranged from 30 to 120 days (corresponding period of 2024: 30 to 120 days). The following is an aged analysis of trade payables presented based on the invoice dates at the end of the Reporting Period:

	<b>30 June 2025 RMB'000 (Unaudited)</b>	31 December 2024 RMB'000 (Audited)
0 - 30 days	<b>17,729</b>	7,520
31 - 60 days	<b>8,863</b>	9,020
61 - 120 days	<b>13,498</b>	9,007
Over 120 days	<b>42,908</b>	33,996
	<b>82,998</b>	59,543



## 15. FINANCIAL LIABILITIES AT FVTPL

	<b>30 June 2025 RMB'000 (Unaudited)</b>	31 December 2024 RMB'000 (Audited)
Capital injection from other investors	<b>558,326</b>	558,326

During the year ended 31 December 2020, Lifetech Shenzhen, a wholly-owned subsidiary of the Company, entered into a shareholders' agreement ("Series A Agreement") with certain independent third parties for issuance of shares of Biotyx Medical (Shenzhen) Co., Ltd. (元心科技(深圳)有限公司) ("Biotyx Medical"), a subsidiary of Lifetech Shenzhen, with a total consideration of RMB135,000,000. Pursuant to the Series A Agreement, during the year ended 31 December 2020, Biotyx Medical received the first capital injection of RMB67,500,000. During the year ended 31 December 2021, Biotyx Medical received the second capital injection of RMB67,500,000. Upon the completion of the above transaction, the Group's equity interest in Biotyx Medical decreased from 66.17% to 57.44%.

During the year ended 31 December 2023, Lifetech Shenzhen entered into another shareholders' agreement ("Series B Agreement") with certain independent third parties for issuance of shares of Biotyx Medical, with a total consideration of RMB202,000,000. Pursuant to the Series B Agreement, during the year ended 31 December 2023, Biotyx Medical received the total capital injection of RMB202,000,000. Upon the completion of the above transaction, the Group's equity interest in Biotyx Medical decreased from 57.44% to 49.64%.

Pursuant to the above mentioned Series A and Series B Agreements, if Biotyx Medical is unable to meet certain specified conditions under agreed timeframe, the holders of these shares will have the right to require Biotyx Medical to redeem all of their shares at the predetermined consideration. Accordingly, these shares are classified as a financial liability.

## 16 SHARE CAPITAL

	<b>Number of Shares</b>	<b>Amount USD</b>
<b>Ordinary Shares</b>		
<b>Authorised:</b>		
At 1 January 2024, 31 December 2024 and 30 June 2025 at USD0.00000125 each	40,000,000,000	50,000

	Number of Shares	Amount USD	Shown in the condensed consolidated financial statements as RMB'000
<b>Issued and fully paid:</b>			
At 1 January 2024	4,630,232,400	5,789	37
Exercise of share options	380,000	— <sup>#</sup>	— <sup>*</sup>
At 31 December 2024	4,630,612,400	5,789	37
Exercise of share options	1,100,000	1	— <sup>*</sup>
<b>At 30 June 2025</b>	<b>4,631,712,400</b>	<b>5,790</b>	<b>37</b>

\* Less than RMB1,000.

# Less than USD1.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS OVERVIEW**

The Group is a developer, manufacturer and marketer of advanced minimally invasive interventional medical devices for cardiovascular, peripheral vascular diseases and disorders. We currently have three main product lines, covering the structural heart diseases business, the peripheral vascular diseases business and the cardiac pacing and electrophysiology business. Structural heart diseases related products mainly include the congenital heart diseases occluders and Left Atrial Appendage ("LAA") occluders; peripheral vascular diseases related products mainly include vena cava filters and stent grafts; and cardiac pacing and electrophysiology related products mainly include implantable cardiac pacemakers and cardiac pacing leads. These three product lines provide clinically effective and commercially attractive product offerings. The Group has built a strong sales network globally and has distributors in numerous countries across Asia, Europe, North America, South America and Africa.

### **FIRST-HALF PERFORMANCE**

The Group recorded a revenue of approximately RMB676.7 million for the six months ended 30 June 2025, representing an increase of approximately RMB23.9 million or approximately 3.7% as compared with the revenue of approximately RMB652.8 million for the corresponding period of 2024. China's mainland remained our largest market, where the revenue generated accounted for approximately 74.1% of our total revenue for the six months ended 30 June 2025 (corresponding period of 2024: approximately 75.1%). Meanwhile, Asia (excluding China's mainland) and Europe were our two largest overseas markets, which accounted for approximately 11.4% and 11.0%, respectively, of our total revenue for the six months ended 30 June 2025 (corresponding period of 2024: approximately 10.9% and 10.0%, respectively). Domestic sales of the Group increased by approximately 2.2% as compared with the corresponding period of 2024, while overseas sales of the Group increased by approximately 8.0% as compared with the corresponding period of 2024, which was mainly attributable to the Company's active expansion of overseas business and effective marketing strategies.

Net profit attributable to owners of the Company for the six months ended 30 June 2025, excluding certain non-recurring items as set out below, was approximately RMB238.5 million as compared with the net profit amounting to approximately RMB233.6 million for the six months ended 30 June 2024, representing an increase of approximately 2.1%. Such non-recurring items include (i) the other gains arising from financial assets at FVTPL of approximately RMB9.9 million for the six months ended 30 June 2025 (corresponding period of 2024: gains of approximately RMB32.9 million); and (ii) the share-based payment expenses of approximately RMB193.5 million for the six months ended 30 June 2025 (corresponding period of 2024: approximately RMB61.3 million). Taking into account the effects of such non-recurring items, the net profit attributable to owners of the Company for the six months ended 30 June 2025 was approximately RMB55.1 million, with a decrease of approximately 73.2% as compared with approximately RMB205.6 million for the six months ended 30 June 2024. The decrease was mainly due to the change in non-recurring items.

## **SALES AND MARKETING**

The Group has an experienced team of sales and marketing professionals that are dedicated to support and manage existing distribution networks and to explore new markets. We enhanced the brand awareness and influence of our products by organizing or participating in domestic and international medical conferences, academic activities, seminars, live broadcasts of surgical procedures and delivering trainings to medical professionals. Meanwhile, the Lifetech Knowledge Exchange Program connected cardiovascular experts around the world for academic exchanges. These experts exchanged valuable medical experience and clinical skills which were highly conducive to promoting the development of medical technology in the field of minimally invasive cardiovascular interventions. Such activities showcased our strengths in product innovation and helped enhance the Company's sales and influence in the international medical community.

## **RESEARCH AND DEVELOPMENT ["R&D"]**

The Company's independently developed innovative domestic medical device products will maintain the competitive strength of the Company and also provide more effective treatments to patients around the world. In the first half of 2025, the Company continuously strengthened its innovation capabilities and accelerated the development of products, so as to maintain its industry leading position.

During the six months ended 30 June 2025, we have achieved the following milestones in the R&D field:

- Aortic Stent Graft System (consists of the Ankura™ Pro Aortic Stent Graft System and Longuette™ Aortic Branch Stent Graft System), Aortic Arch Stent Graft System (consists of the Ankura™ Plus Aortic Arch Stent Graft System and CSkirt™ Aortic Arch Branch Stent Graft System), Peripheral Balloon Dilatation Catheter (Large diameter), Yoscop™ Multi-loop Snare System and SteerEase™-m Introducer have obtained the National Medical Products Administration ("NMPA") certification;
- IrisFit™ PFO Occluder and SteerEase™ Introducer have obtained the CE MDR (Medical Device Regulation) certification. Such products have previously obtained the CE MDD (Medical Device Directive) certification;
- Thoracoabdominal Artery Stent Graft System (consists of the G-Branch™ Thoracoabdominal Aortic Stent Graft System, SilverFlow™ PV Peripheral Vascular Stent Graft System and Aortic Extension Stent Graft System) and Iliac Bifurcation Device (consists of the G-iliac™ Pro Iliac Bifurcation Stent Graft System and SilverFlow™ Pro Internal Iliac Stent Graft System), etc. are pending registration approval in China;
- Aortic Stent Graft System (consists of the Ankura™ Pro Aortic Stent Graft System and Longuette™ Aortic Branch Stent Graft System), Fitaya™ Vena Cava Filter System, Futhrough™ Stent Graft Balloon Catheter, Yuranos™ Abdominal Aortic Stent Graft System and G-iliac™ Iliac Bifurcation Device are pending registration approval of CE certification;
- Concave Supra-arch Branched Stent-Graft System, X-Clip™ Mitral Valve Clip System and Aortic Arch Single Branch Stent Graft System (consists of the Aortic Arch Stent Graft System and Aortic Branch Stent Graft System) are currently at the stage of pre-registration clinical enrollment in China;
- Cera™ PFO Occluder has completed pre-marketing clinical enrollment and is currently under clinical follow-up in China;

- IBS Titan™ Sirolimus-Eluting Iron Bioresorbable Peripheral Scaffold System is currently at the stage of clinical enrollment in China and in Europe, and its CE registration application has been submitted; and
- IBS™ Sirolimus-Eluting Iron Bioresorbable Coronary Scaffold System has successfully completed the five-year follow-up of the phase I clinical study and the two-year follow-up of the phase II and III clinical study, further confirming its safety and efficacy. Additionally, its CE and NMPA registration application have been submitted.

## **INTELLECTUAL PROPERTY RIGHTS**

Intellectual property is an important intangible asset of the Group and also an internal driving force to improve our core competitiveness in the medical device market. During the six months ended 30 June 2025, the Group has filed 73 patent applications and separately, 41 patents were successfully registered. As at 30 June 2025, the Group has filed a total of 2,464 valid patent applications, of which 1,123 patents were registered and valid.

## **FINANCIAL REVIEW**

### **OVERVIEW**

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

### **REVENUE**

The revenue of the Group was approximately RMB676.7 million for the six months ended 30 June 2025, with an increase of approximately RMB23.9 million or approximately 3.7% as compared with the revenue of approximately RMB652.8 million for the corresponding period of 2024. The increase was mainly due to the increase of revenue from sales of stent grafts and LAA occluders.

#### ***Revenue from the structural heart diseases business***

The turnover contributed by the structural heart diseases business for the six months ended 30 June 2025 was approximately RMB271.5 million (corresponding period of 2024: approximately RMB271.2 million), representing an increase of approximately 0.1% as compared with the corresponding period of 2024.

We have diversified our product portfolio to cover a wide spectrum of the structural heart diseases business, including but not limited to, LAA occluders and three generations of congenital heart diseases occluders namely HeartR, Cera and CeraFlex. As compared with the corresponding period of 2024, the revenue generated from the sales of LAA occluders increased by approximately 14.7%, while congenital heart diseases occluders decreased by approximately 7.2%.

### ***Revenue from the peripheral vascular diseases business***

The turnover contributed by the peripheral vascular diseases business for the six months ended 30 June 2025 was approximately RMB391.7 million (corresponding period of 2024: approximately RMB380.7 million), representing an increase of approximately 2.9% as compared with the corresponding period of 2024.

The products offered in the peripheral vascular diseases business mainly include vena cava filters, Thoracic Aortic Aneurysm stent grafts, Abdominal Aortic Aneurysm stent grafts, Iliac Artery Bifurcation stent grafts, Aortic stent graft systems and Aortic Arch stent graft systems. As compared with the corresponding period of 2024, the revenue generated from the sales of stent grafts increased by approximately 9.6%, while the revenue generated from the sales of vena cava filters decreased by approximately 16.8%.

### ***Revenue from the cardiac pacing and electrophysiology business***

The turnover contributed by the cardiac pacing and electrophysiology business for the six months ended 30 June 2025 was approximately RMB13.5 million (corresponding period of 2024: approximately RMB0.9 million), representing an increase of approximately 1,400.0% as compared with the corresponding period of 2024.

## **GROSS PROFIT AND GROSS PROFIT MARGIN**

Gross profit of the Group decreased by approximately 3.4% from approximately RMB515.4 million for the six months ended 30 June 2024 to approximately RMB497.8 million for the six months ended 30 June 2025.

Gross profit margin decreased 5.3 percentage points from approximately 78.9% for the six months ended 30 June 2024 to approximately 73.6% for the six months ended 30 June 2025. The decrease was mainly due to: (i) the decrease in the unit selling price of certain products in specific regions resulting from the impact of the centralised procurement policy; and (ii) the change in sales portfolios.

## **OTHER INCOME, EXPENSES, GAINS AND LOSSES**

Other income, expenses, gains and losses increased from approximately RMB49.1 million for the six months ended 30 June 2024 to approximately RMB50.4 million for the six months ended 30 June 2025. The slight change was mainly due to (i) the increase in net foreign exchange gains; and (ii) the decrease in the gains from changes in fair value of financial assets at FVTPL. The above two factors were offset by each other and resulted in an overall minimal impact.

## **FINANCIAL ASSETS AT FVTPL**

On 25 May 2018, the Group invested USD6.0 million (equivalent to approximately RMB38.2 million) to subscribe for the partnership interest of approximately 9.69% in Ally Bridge Group Innovation Capital Partners III, L.P., a private equity fund established in the Cayman Islands. The 2018 Equity Fund principally invests in securities or assets of companies in the healthcare industry, with a particular focus on cross-border innovative late-stage venture opportunities and cross-over investments. The fair value of our investment in the 2018 Equity Fund as at 30 June 2025 amounted to approximately RMB9.2 million (31 December 2024: approximately RMB8.9 million), representing approximately 0.2% (31 December 2024: approximately 0.2%) of the Company's total assets. Based on the cumulative net distributions of approximately RMB57.8 million by the fund to the Group, coupled with the outlook of the healthcare industry, the Company is optimistic on the prospects of its investments in the 2018 Equity Fund.

On 8 January 2021, the Group invested RMB10.0 million to subscribe for the 2021 Hybrid Fund unit. The fair value of this investment as at 30 June 2025 amounted to approximately RMB13.5 million (31 December 2024: approximately RMB12.5 million), representing approximately 0.3% (31 December 2024: approximately 0.3%) of the Company's total assets.

On 24 October 2022, the Group entered into a subscription agreement with certain independent third parties pursuant to which the Group agreed to subscribe in Ally Bridge Group Global Life Science Capital Partners V, L.P., as a limited partner, for an aggregate consideration of USD20.0 million (equivalent to approximately RMB144.4 million) in cash. The purposes of the 2022 Equity Fund are to seek capital appreciation primarily by acquiring, holding and disposing of securities, independently or with others, primarily in non-listed or, sometimes, listed entities involved in the healthcare industry, with a particular focus on leading innovative technologies. The fair value of our investment in the 2022 Equity Fund as at 30 June 2025 amounted to approximately RMB196.1 million (31 December 2024: approximately RMB200.5 million), representing approximately 3.7% (31 December 2024: approximately 4.1%) of the Company's total assets.

On 28 November 2023, the Group invested RMB50.0 million to subscribe for the 2023 Hybrid Fund unit. The fair value of this investment as at 30 June 2025 amounted to approximately RMB43.2 million (31 December 2024: approximately RMB30.2 million), representing approximately 0.8% (31 December 2024: approximately 0.6%) of the Company's total assets.

The aggregate unrealised foreign exchange losses in financial assets at FVTPL was approximately RMB0.9 million for the six months ended 30 June 2025 (corresponding period of 2024: gains of approximately RMB0.9 million), and the aggregate gains from changes in fair value of financial assets at FVTPL was approximately RMB10.7 million (corresponding period of 2024: gains of approximately RMB31.9 million).

The investments are classified as financial assets at FVTPL in accordance with IFRS 9. In the opinion of the Directors, the above investments are held for long-term strategic investment purposes and, as such, the above investments are classified as non-current assets.

## **SELLING AND DISTRIBUTION EXPENSES**

Selling and distribution expenses increased by approximately 67.3% from approximately RMB150.0 million for the six months ended 30 June 2024 to approximately RMB250.9 million for the six months ended 30 June 2025. The increase was mainly due to the increase in staff costs, of which the increase in share-based payment expenses amounted to approximately RMB128.4 million for the six months ended 30 June 2025 (corresponding period of 2024: approximately RMB24.1 million).

## **ADMINISTRATION EXPENSES**

Administration expenses increased by approximately 63.1% from approximately RMB72.6 million for the six months ended 30 June 2024 to approximately RMB118.4 million for the six months ended 30 June 2025. This increase was mainly due to the increase in staff costs, of which the increase in share-based payment expenses amounted to approximately RMB54.6 million for the six months ended 30 June 2025 (corresponding period of 2024: approximately RMB16.0 million).

## **R&D EXPENSES**

R&D expenses decreased by approximately 18.2% from approximately RMB139.9 million for the six months ended 30 June 2024 to approximately RMB114.5 million for the six months ended 30 June 2025. In addition, during the current period, approximately RMB41.5 million (corresponding period of 2024: approximately RMB64.3 million) was capitalised as development expenditure. Taking into account such capitalised expenditure, R&D costs decreased by approximately 23.6% from approximately RMB204.2 million for the six months ended 30 June 2024 to approximately RMB156.0 million for the six months ended 30 June 2025. This decrease was mainly due to a reduction related to Biotyx Medical in share-based payment expenses, which was approximately RMB5.9 million for the six months ended 30 June 2025 (corresponding period of 2024: approximately RMB36.3 million).

## **OPERATING PROFIT**

During the six months ended 30 June 2025, the Group recorded an operating profit of approximately RMB64.4 million, which represented a decrease of approximately 68.1% as compared with the operating profit of approximately RMB202.0 million for the corresponding period of 2024. The decrease was mainly due to (i) increase in staff costs resulting from the increase in the share-based payment expenses; and (ii) decrease in the gains from changes in fair value of financial assets at FVTPL.

## **SHARE OF RESULTS IN ASSOCIATES**

The Group's share of results in associates was approximately RMB5.3 million for the six months ended 30 June 2025 (corresponding period of 2024: losses of approximately RMB1.4 million).

## **FINANCE INCOME AND FINANCE COSTS**

Finance income increased by approximately 15.7% from approximately RMB8.9 million for the six months ended 30 June 2024 to approximately RMB10.3 million for the six months ended 30 June 2025.

Finance costs decreased by approximately 88.9% from approximately RMB0.9 million for the six months ended 30 June 2024 to approximately RMB0.1 million for the six months ended 30 June 2025.

## **FINANCIAL LIABILITIES AT FVTPL**

In 2020, Lifetech Shenzhen, a wholly owned subsidiary of the Company, entered into Series A Agreement with certain independent third parties, and in 2023 entered into Series B Agreement with certain independent third parties, for issuance of shares of Biotyx Medical. Pursuant to the above mentioned Series A and Series B Agreements, if Biotyx Medical is unable to meet certain specified conditions under agreed timeframe, some holders of these shares will have the right to require Biotyx Medical to redeem all of their shares at the predetermined consideration. Accordingly, such shares are classified as a financial liability.

The fair value change in relation to the financial liabilities for the six months ended 30 June 2025 is insignificant.



The fair value of financial liabilities at FVTPL as at 30 June 2025 amounted to approximately RMB558.3 million (31 December 2024: approximately RMB558.3 million).

Additional information is set out in Note 15 to the condensed consolidated financial statements in this interim results announcement.

## **INCOME TAX**

Income tax increased from approximately RMB22.8 million for the six months ended 30 June 2024 to approximately RMB38.0 million for the six months ended 30 June 2025, which was mainly due to increased assessable income.

## **NET PROFIT**

Net profit attributable to owners of the Company for the six months ended 30 June 2025, excluding certain non-recurring items as set out below, was approximately RMB238.5 million as compared with the net profit amounting to approximately RMB233.6 million for the six months ended 30 June 2024, representing an increase of approximately 2.1%. Such non-recurring items include (i) the other gains arising from financial assets at FVTPL of approximately RMB9.9 million for the six months ended 30 June 2025 (corresponding period of 2024: gains of approximately RMB32.9 million); and (ii) the share-based payment expenses of approximately RMB193.5 million for the six months ended 30 June 2025 (corresponding period of 2024: approximately RMB61.3 million). Taking into account the effects of such non-recurring items, the net profit attributable to owners of the Company for the six months ended 30 June 2025 was approximately RMB55.1 million, with a decrease of approximately 73.2% as compared with approximately RMB205.6 million for the six months ended 30 June 2024. The decrease was mainly due to the change in non-recurring items.

## **EQUITY INSTRUMENTS AT FVTOCI**

On 21 September 2022, the Group entered into a subscription agreement with Jenscare Scientific pursuant to which the Group agreed to subscribe for shares of Jenscare Scientific upon its initial public offering, as a cornerstone investor, for an aggregate consideration of USD20.0 million (equivalent to approximately RMB143.9 million) in cash with the price of HKD27.8 per share. The fair value of the equity security in the listed entity is determined based on the closing prices quoted in active markets. They are accounted for using their fair values based on quoted market prices. The fair value of this investment as at 30 June 2025 amounted to approximately RMB43.4 million (31 December 2024: approximately RMB17.1 million), representing approximately 0.8% of the Company's total assets (31 December 2024: approximately 0.3%).

The unrealised foreign exchange losses in equity instruments at FVTOCI was approximately RMB0.7 million for the six months ended 30 June 2025 (corresponding period of 2024: gains approximately RMB0.2 million), and the gains from changes in fair value of equity instruments at FVTOCI was approximately RMB27.0 million (corresponding period of 2024: losses approximately RMB93.2 million).

Jenscare Scientific is a medical device company dedicated to the development of interventional products for the treatment of structural heart diseases. Established in 2011, it has developed a series of treatment solutions targeting different types of structural heart diseases, including tricuspid valve diseases, aortic valve diseases, mitral valve diseases and heart failure. The shares of Jenscare Scientific are listed on the Stock Exchange (stock code: 9877). The Group held 5,646,600 H shares in Jenscare Scientific, representing approximately 1.8% of its total issued share capital as at 30 June 2025.

The investment is classified as equity instruments at FVTOCI in accordance with IFRS 9. Additional information in relation to the investment is set out in Note 11 to the condensed consolidated financial statements in this interim results announcement. In the opinion of the Directors, the above investment is held for long-term strategic investment purposes and, as such, the above investment is classified as non-current asset.

## **LIQUIDITY AND FINANCIAL RESOURCES**

During the six months ended 30 June 2025, the Group mainly financed its operations with its own working capital.

The Group recorded total current assets of approximately RMB2,573.3 million as at 30 June 2025 (31 December 2024: approximately RMB2,334.2 million) and total current liabilities of approximately RMB993.3 million as at 30 June 2025 (31 December 2024: approximately RMB815.6 million). As at 30 June 2025, the total current liabilities of the Group primarily included trade and other payables amounting to approximately RMB841.3 million (31 December 2024: approximately RMB758.2 million). Other payables primarily included accrued expenses of approximately RMB169.2 million (31 December 2024: approximately RMB166.0 million) primarily in relation to clinical expenses and exhibition expenses, as well as accrued payroll and bonus of approximately RMB114.7 million (31 December 2024: approximately RMB107.4 million).

Trade receivables in terms of debtor turnover days was 45 days (31 December 2024: 33 days), and trade payables in terms of creditor turnover days was 72 days (31 December 2024: 103 days).

The current ratio (calculated by dividing the total current assets by the total current liabilities) of the Group was approximately 2.59 as at 30 June 2025 (31 December 2024: approximately 2.86).

## **BORROWINGS**

As at 30 June 2025 and 31 December 2024, the Group did not have any bank borrowings.

## **CASH AND CASH EQUIVALENTS**

As at 30 June 2025, the Group's cash and cash equivalents were approximately RMB782.6 million, representing an increase of approximately 17.5% from approximately RMB665.8 million as at 31 December 2024. The cash and cash equivalents of the Group were mainly denominated in Renminbi and Hong Kong Dollars.

## **GEARING RATIO**

As at 30 June 2025 and 31 December 2024, the Group did not have any bank borrowings, and the gearing ratio of the Group (calculated based on the ratio of total bank borrowings to total equity) was zero.

## **CAPITAL STRUCTURE**

Total equity attributable to equity holders of the Company amounted to approximately RMB3,770.2 million as at 30 June 2025 as compared with approximately RMB3,494.5 million as at 31 December 2024.

## **TREASURY POLICY**

The Directors will continue to follow a prudent policy in managing the Group's financial resources such as cash, with the objective of maintaining a strong and healthy liquidity position to ensure that the Group is well-placed to seize future growth opportunities whenever such opportunities arises.

## **PROPERTY HELD**

On 26 June 2019, Dongguan LifeTech Medical Co., Ltd. (東莞市先健醫療有限公司) ("Dongguan LifeTech"), a wholly-owned subsidiary of the Company entered into a land use right transfer contract with the Dongguan Natural Resources Bureau (東莞市自然資源局) for the acquisition of land use right of a land which has a site area of 43,604 square meters located at the southeast of the intersection of South 1 Road and South 8 Road in eastern Songshan Lake, Dongguan, Guangdong, the PRC (the "Land"). The land use right is wholly-owned by the Group which was acquired at a total consideration of approximately RMB43.6 million.

On 24 April 2020, Dongguan LifeTech entered into a construction contract with China Construction Second Engineering Bureau Limited for the construction of an industrial park above the Land. The industrial park covers a total site area of approximately 43,604 square meters and can cater for the Group's day-to-day business and operational needs in Dongguan and nearby regions. The contract price for the construction works is up to a maximum aggregate amount of RMB620.0 million. The construction contract was approved by independent shareholders by way of poll at the extraordinary general meeting of the Company held on 30 June 2020. For further details and information, please refer to the Company's announcements dated 26 June 2019, 24 April 2020 and 30 June 2020 and the circular dated 9 June 2020.

In May 2023, the Company had obtained property ownership certificates of all buildings and basements. As at 30 June 2025, a portion of the total gross floor area of the industrial park has been allocated for the Company's own operations and external tenant leasing, with the remaining area reserved for future allocation.

## **MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

On 6 June 2025, the Company, through its wholly-owned subsidiary, Lifetech Shenzhen, entered into a series of agreements in relation to the proposed investment in Affector Medtech (Suzhou) Ltd. (劍虎醫療科技(蘇州)有限公司) ("Affector Medtech"), a high-tech company established in the PRC specializing in the field of electrophysiology and innovative medical devices (the "Investment").

Lifetech Shenzhen has agreed to invest a total of RMB150.0 million in Affector Medtech in cash. The Investment will be made in stages, subject to the achievement of certain milestones as set out in the investment agreement, including the founders and core team of Affector Medtech entering into employment contracts, confidentiality agreements, and non-competition agreements satisfactory to Lifetech Shenzhen, as well as Affector Medtech obtaining NMPA registration certificates for certain specific products.

Part of the Investment will be used to increase the registered capital of Affector Medtech, while the remaining amount will be credited to capital reserve. After completion of all stages of the Investment, Lifetech Shenzhen will be entitled to 30% of the equity interest in Affector Medtech. As at the date of this interim results announcement, the first stage of the investment has been completed, and Lifetech Shenzhen has acquired a 22.22% equity interest in Affector Medtech.

Save as disclosed above, there were no other material acquisitions and disposals of subsidiaries, associates and joint ventures during the six months ended 30 June 2025.

## **SIGNIFICANT INVESTMENTS AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS**

Save as disclosed in this interim results announcement, there were no significant investments held by the Company with a value greater than 5% of its total assets as at 30 June 2025, nor was there any plan authorised by the Board for other material investments or additions of capital assets as at the date of this interim results announcement.

The Group's investment strategy for significant investments is to identify investment opportunities with growth potential within the healthcare industry and seek opportunities for strategic cooperation. We hold our investments in equity instruments. Our investment objective is to form long-term strategic partnerships with companies in the medical industry with the potential of enriching our product lines and expanding our business scale, thereby maximising shareholders' interests and value.

## **CONTINGENT LIABILITIES**

The Group did not have any significant contingent liabilities as at 30 June 2025.

## **FINANCIAL INSTRUMENT**

As at 30 June 2025, the Group did not have any outstanding hedge contracts or financial derivative instruments.

## **CAPITAL EXPENDITURE**

During the six months ended 30 June 2025, the capital expenditure of the Group for property, plant and equipment, construction in progress, intangible assets, right-of-use assets and deposits for property, plant and equipment amounted to approximately RMB56.7 million (corresponding period of 2024: approximately RMB213.2 million).

## **FOREIGN EXCHANGE EXPOSURE**

During the six months ended 30 June 2025, the Group primarily conducted its operations in both Asia and Europe. The revenue generated from Asia (excluding China's mainland) and Europe accounted for approximately 11.4% and 11.0%, respectively, of the Group's total revenue for the six months ended 30 June 2025 (corresponding period of 2024: approximately 10.9% and 10.0%, respectively). The operational results and financial condition of the Group may be affected by fluctuations in exchange rates involving the currencies used in its business transactions.

Although the Group did not implement any hedging strategies to mitigate this exposure during the Reporting Period, the management closely monitored foreign currency exposure to maintain net exposure at an acceptable level. The Group expects that exchange rate fluctuations will not have a material adverse effect on its operations in the foreseeable future. However, the Group will consider hedging significant foreign currency exposure should the need arise.

## **CHARGES ON GROUP ASSETS**

As at 30 June 2025, the Group did not have any charges on its assets.

## **CAPITAL COMMITMENT**

As at 30 June 2025, the Group's capital expenditure contracted for but not provided in the condensed consolidated financial statements amounted to approximately RMB46.3 million (31 December 2024: approximately RMB55.1 million).

## **SEGMENT INFORMATION**

During the six months ended 30 June 2025, the revenue of the Group was principally generated from the structural heart diseases business, the peripheral vascular diseases business and the cardiac pacing and electrophysiology business. An aging population, urbanisation and the continuous improvement of health awareness by the public, are all factors which contribute to the steady growth of the healthcare industry. These trends, along with our R&D efforts, suggest that there will be an increased demand for our products in the future, thus leading to business growth.

### **Structural Heart Diseases Business**

The Company has developed four generations of congenital heart diseases occluders to satisfy various patients' needs, and to achieve differentiated marketing strategies. At the same time, we continue to upgrade the LAA occluder to meet the growing treatment demand with innovative technology. Driven by a large number of patients with atrial fibrillation around the world, the global market for the LAA occluder is expected to keep growing in the future.

### **Peripheral Vascular Diseases Business**

The Company provides patients with technology-leading systemic and comprehensive interventional medical devices treatment solutions of peripheral vascular diseases. Among those products, the market shares of vena cava filters and stent grafts occupy a leading position in the domestic market. An aging population, increase in diseases detection rate and expansion of product applications are factors that would help drive the growth of market demand for these products.

## **Cardiac Pacing and Electrophysiology Business**

The Company is the first manufacturer in China that has a complete product portfolio of domestic implantable cardiac pacemakers with international-level technology and functions.

Please refer to the paragraph headed “Financial Review – Revenue” above for the financial performance of these business segments. Financial information related to these aspects is presented in Note 4 to the condensed consolidated financial statements in this interim results announcement.

## **EMPLOYEES AND REMUNERATION POLICY**

As at 30 June 2025, the Group had 1,273 full-time employees (31 December 2024: 1,392) and three executive Directors (31 December 2024: three). Total staff costs, including Directors’ emoluments, amounted to approximately RMB359.6 million for the six months ended 30 June 2025 (corresponding period of 2024: approximately RMB228.2 million).

The employees of the Group who operate in the PRC are members of a state-managed retirement benefits scheme operated by the PRC government under which the employees are entitled to a monthly pension after retirement. The Group is required to contribute a certain percentage of employee’s salaries to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the aforementioned specified contributions. The Group operates the Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. Contributions to these schemes are expensed as incurred. During the six months ended 30 June 2025, the total cost paid or payable in relation to contributions to the retirement benefits scheme was approximately RMB18.7 million (corresponding period of 2024: approximately RMB18.0 million). Forfeited contributions (by the Group on behalf of the employees who leave the aforesaid schemes prior to vesting fully in such contributions) may not be used by the Group to reduce the existing level of contributions.

The Group’s remuneration policies were determined with reference to the performance, qualification and working experience of individual employees, as well as the results of the Group and the market conditions. The benefits provided by the Group to its employees include discretionary bonus, transportation and meal subsidies, basic and group medical insurance, work injury insurance, unemployment insurance, annual physical examination, share options, etc. We have a fair and effective performance appraisal system and schemes designed to motivate and reward employees at all levels for their performance and achievements. The Company adopted a share option scheme on 22 October 2011, which was subsequently amended by unanimous written resolutions of the Board on 5 May 2015. On 17 September 2021, as the number of share options which may be granted under such share option scheme had reached its limit and would soon expire, the Company terminated such share option scheme and adopted a new share option scheme to provide incentives for employees of the Group and other eligible participants thereunder. The Company has adopted a share award scheme on 28 December 2018, which was subsequently amended by unanimous written resolutions of the Board on 29 April 2019. The Company also adopted another share award scheme on 3 March 2022.

Employees are the cornerstone of enterprise development, and the Group is committed to providing all employees with a safe and comfortable working environment, opportunities of equal employment, trainings and career development, such as orientation programmes for new employees, regulation-related trainings and position skills trainings. The Group has also established a labour union to safeguard the legitimate rights of its employees and to further promote the Group's sustainable, stable and healthy development.

## THE 2020 PLACING

On 11 December 2020, the Company completed a placing of an aggregate of 287,320,000 new ordinary shares of the Company, with an aggregate nominal value of USD359.15, at a placing price of HKD3.2368 per share pursuant to a placing agreement dated 4 December 2020 (the "2020 Placing").

Pursuant to the 2020 Placing, an aggregate of 287,320,000 new ordinary shares, representing approximately 6.21% of the issued share capital of the Company as enlarged by the allotment and issue of the new shares immediately after the completion of the 2020 Placing, have been successfully placed to not less than six placees who and whose ultimate beneficial owner(s), to the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, are independent of the Company. None of the placees and their respective ultimate beneficial owners have become a substantial shareholder (as defined under the Listing Rules) of the Company as a result of the placing.

The placing price of HKD3.2368 per placing share represents:

- (i) a discount of approximately 11.6% to the closing price of HKD3.660 per share of the Company as quoted on the Stock Exchange on 3 December 2020, being the trading day prior to the date of the placing agreement;
- (ii) a discount of approximately 9.3% to the average closing price of approximately HKD3.570 per share of the Company as quoted on the Stock Exchange for the five consecutive trading days immediately prior to the date of the placing agreement; and
- (iii) a discount of approximately 2.3% to the average closing price of approximately HKD3.313 per share of the Company as quoted on the Stock Exchange for the ten consecutive trading days immediately prior to the date of the placing agreement.

The net placing price (after deducting the costs and expenses incurred for the 2020 Placing) was approximately HKD3.2366 per placing share. The net proceeds raised from the 2020 Placing were approximately HKD930.0 million.

As at 30 June 2025, approximately HKD391.2 million brought forward from the net proceeds received by the Company from the 2020 Placing remained unutilised.

As at 30 June 2025, the details and usage of the proceeds from the 2020 Placing were as follows:

<b>Intended use of proceeds</b>	<b>Approximate allocation of net proceeds as previously disclosed (HKD in million)</b>	<b>Approximate amount of net proceeds unutilised as at 31 December 2024 (HKD in million)</b>	<b>Approximate utilisation of proceeds during the six months ended 30 June 2025 (HKD in million)</b>	<b>Approximate amount of net proceeds unutilised as at 30 June 2025 (HKD in million)</b>	<b>Expected timeline for utilisation of unutilised proceeds</b>
Repayment of certain bank borrowings of the Group	406.0	—	—	—	Fully utilised
Funding potential business development involving a new overseas clinical project	465.0	398.9	7.7	391.2	To be applied in the second half of 2025 (HKD20.0 million), 2026 (HKD155.0 million) and 2027 (HKD216.2 million) subject to adjustments (if any)
General working capital of the Group	59.0	—	—	—	Fully utilised
<b>Total</b>	<b>930.0</b>	<b>398.9</b>	<b>7.7</b>	<b>391.2</b>	

Approximately HKD7.7 million of the net proceeds of the 2020 Placing had been utilised during the six months ended 30 June 2025 in accordance with the intended use of proceeds. There has been no change in the intended use of net proceeds. The unutilised net proceeds from the 2020 Placing would be brought forward to the next financial period/year and will be gradually utilised in accordance with the above intended purposes.

The Directors consider that the 2020 Placing represented an opportunity to raise capital while broadening its capital and shareholder base. The Directors were of the view that the 2020 Placing would strengthen the financial position of the Company and provide working capital to the Company.

For further details, please refer to the Company's announcements dated 4 December 2020 and 11 December 2020.

## EVENTS AFTER THE REPORTING PERIOD

There have not been any significant events affecting the Group after 30 June 2025.



## **FUTURE PROSPECTS**

The global medical device industry continues to present significant growth opportunities, driven by demographic shifts, technological advancements, and increasing healthcare demands. Although the expansion of the coverage of China's centralized procurement policies has exerted pricing pressure on medical device products, it has also accelerated industry consolidation, prompting companies to place greater emphasis on innovation and differentiated competition. Leveraging strong R&D capabilities, a diversified product portfolio, and a growing global presence, the Company has established a resilient competitive advantage, enabling us to proactively capture industry opportunities and drive sustained and stable business growth.

Our strategic investment in Affector Medtech represents a key milestone in strengthening our position in the high-growth electrophysiology market. This partnership provides access to cutting-edge technologies and enhances our ability to offer comprehensive solutions to customers globally. We expect this collaboration to create meaningful synergies and contribute to our long-term growth, particularly as we leverage our overseas distribution network to commercialize these innovative products.

Looking ahead, we will continue to focus on expanding our international footprint while maintaining operational efficiency across our business. Our commitment to innovation remains unwavering, with ongoing investments in new technologies and product development to address evolving market needs. At the same time, we will maintain disciplined capital allocation to ensure sustainable growth and value creation for all stakeholders.

The Company is confident in its ability to navigate both challenges and opportunities in the evolving healthcare landscape. By staying true to our core strengths in innovation and execution, we are well-positioned to deliver long-term growth and reinforce our leadership in the global medical device industry. We remain committed to creating value for patients, healthcare providers, and shareholders through our continued focus on technological advancement and operational excellence.

## **OTHER INFORMATION**

### **INTERIM DIVIDEND**

The Directors did not recommend the payment of any interim dividend for the six months ended 30 June 2025 (corresponding period of 2024: nil).

### **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

During the six months ended 30 June 2025, there were no purchase, sales or redemptions of the Company's listed securities by the Company or any of its subsidiaries.

### **COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE**

The Company is committed to achieving high standards of corporate governance to safeguard the interests of its shareholders (the "Shareholders") and enhance its corporate value. The Company has applied the principles as set out in the Corporate Governance Code (the "CG Code") contained in Appendix C1 to the Listing Rules as its own code of corporate governance and confirms that it has complied with the code provisions of the CG Code during the six months ended 30 June 2025, save for the deviation from code provision C.2.1 of the CG Code as mentioned below.

According to code provision C.2.1 of the CG Code, the roles of the Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. Subsequent to the resignation of former Chief Executive Officer of the Company, Mr. XIE Yuehui, Chairman of the Board, has been appointed to act as the Chief Executive Officer of the Company on 2 March 2015. Accordingly, the roles of the Chairman of the Board and the Chief Executive Officer are performed by the same individual. Although the dual roles of the Chairman and Chief Executive Officer is a deviation from the code provision C.2.1 of the CG Code, the Board believes that vesting the roles of both Chairman and Chief Executive Officer in an experienced and qualified person such as Mr. XIE Yuehui provides the Company with strong and consistent leadership while allowing for effective and efficient planning and implementation of business decisions and strategies.

The Board reviews the corporate governance structure and practices from time to time and shall make necessary arrangements when the Board considers appropriate.

### **MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules as its own code of conduct for dealing in securities of the Company by the Directors on terms no less exacting than the required standard set out in the Model Code.

Having made specific enquiries with all the Directors, the Company confirmed that all members of the Board complied with the Model Code during the six months ended 30 June 2025.

Senior management, executives and staff members who, because of their offices in the Company, are likely to possess inside information, have also been requested to comply with the provision of the Model Code. No incident of non-compliance with the Model Code by such employees was noted by the Company during the six months ended 30 June 2025.

## **AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS**

The Board has established an audit committee (the “Audit Committee”) in accordance with the corporate governance requirements of listed companies of the Stock Exchange. As at the date of this interim results announcement, the Audit Committee consists of three members, all of whom are independent non-executive Directors, namely Mr. LIANG Hsien Tse Joseph who possesses appropriate professional qualifications to serve as its Chairman, Mr. ZHOU Luming and Mr. WANG Wansong.

The Group’s unaudited interim results for the six months ended 30 June 2025 and accounting principles have been reviewed and discussed by the Audit Committee, which was of the opinion that the preparation of such results was in compliance with the relevant accounting standards, the Listing Rules and the applicable legal requirements, and that adequate disclosure has been made.

## **PUBLICATION OF THE INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT**

The interim results announcement is published on the website of The Stock Exchange of Hong Kong Limited at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company’s website at [www.lifetechmed.com](http://www.lifetechmed.com). The 2025 interim report of the Company containing all the information required by the Listing Rules will be made available to the Shareholders and published on the above websites in due course.

By order of the Board  
**LifeTech Scientific Corporation**  
**XIE Yuehui**  
*Executive Director, Chairman and  
Chief Executive Officer*

Hong Kong, 29 August 2025

*As at the date of this announcement, the Board comprises Mr. XIE Yuehui, Mr. LIU Jianxiong and Ms. RUAN Xingmei being executive Directors; Mr. JIANG Feng being non-executive Director; and Mr. LIANG Hsien Tse Joseph, Mr. WANG Wansong and Mr. ZHOU Luming being independent non-executive Directors.*