Shanghai HeartCare Medical Technology Corporation Limited

上海心瑋醫療科技股份有限公司

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

(Stock Code: 6609)

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

The Board of Shanghai HeartCare Medical Technology Corporation Limited is pleased to announce the unaudited condensed consolidated interim results of the Group reviewed by the Audit Committee for the six months ended June 30, 2025, together with comparative figures for the same period of 2024.

FINANCIAL HIGHLIGHTS

	Six months ended June 30, 2025 ***RMB'000*** **(Unaudited)**	Six months ended June 30, 2024 *RMB'000* (Unaudited)	Period-to-period change
Revenue	**185,522**	128,484	44.4%
Gross profit	**126,599**	82,281	53.9%
Gross profit margin	**68.2%**	64.0%	4.2 percentage points
Selling & distribution and administrative expenses	**68,729**	57,520	19.5%
Research and development costs	**20,618**	31,752	-35.1%
Profit/(Loss) before tax	**49,011**	(3,198)	1,632.6%
Profit/(Loss) and total comprehensive income/(loss) for the period	**50,938**	(5,119)	1,095.1%

BUSINESS HIGHLIGHTS

In the first half of 2025, the Company recorded revenue of RMB185.5 million, representing a year-on-year increase of 44.4%, as well as gross profit margin increase to 68.2%. The Group recorded a net profit attributable to the Shareholders of RMB50.9 million, representing a significant turnaround from the net loss attributable to the Shareholders of approximately RMB5.1 million for the six months ended June 30, 2024. Such a turnaround is primarily attributable to business growth of the Company, driven by increased revenue from the newly launched hemorrhagic stroke treatment devices and higher sales of ischemic stroke treatment devices and other hemorrhagic stroke treatment devices, as well as a decrease in the overall expense ratio of the Company. The expense rate of the selling and distribution expenses and administrative expenses decreased from 44.8% to 37.0% compared with the same period of 2024, as the business scale expands and the effects of cost control and efficiency enhancement measures become evident.

In order to adapt to the fast-changing market environment, the Company continuously promotes the upgrade of its neuro-intervention business toward the focus on differentiated treatment devices. Sales volume of ischemic stroke treatment devices and other access devices increased by 38.3% and 29.2% respectively. Revenue of hemorrhagic stroke treatment devices approximately increased by RMB37.7 million as compared with the same period of 2024, which is mainly attributable to the newly launched devices.

During the Reporting Period, the Company recorded R&D costs of RMB20.6 million which was utilized to support the diversified candidates of neuro-intervention treatment devices. Our flow diverter device has obtained NMPA approvals. As of the date of this announcement, our full set treatment devices for complete solution of hemorrhagic stroke treatment, which included vascular reconstruction device (NMPA innovative device qualification), embolic coil and flow diverter device have launched and commenced sales. Furthermore, the Company aims to enhance the competitiveness of key thrombectomy devices (aspiration catheter and thrombectomy stent) and one-stop medical device solutions for different subtypes of acute ischemic stroke. At the same time, R&D of self-expanding drug stent and carotid artery stent for the treatment of intracranial stenosis is progressing as planned.

In the overseas market, the Company has obtained CE or FDA certification of the thrombectomy stent, balloon guiding catheter, distal access catheter and microcatheter, as well as 31 other registration certificates in eight other countries or regions. Up to now, the Company has been working on approximately 100 product registrations in 21 countries or regions, expanding sales channels, and laying the foundation for achieving long-term goals in overseas sales.

INTERIM RESULTS

The Board is pleased to announce the unaudited condensed consolidated interim results of the Group for the six months ended June 30, 2025, as follows:

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,	
	Notes	**2025**	2024
		RMB'000	*RMB'000*
		(Unaudited)	(Unaudited)
REVENUE	*5*	**185,522**	128,484
Cost of sales		**(58,923)**	(46,203)
Gross profit		**126,599**	82,281
Other income and gains	*5*	**28,439**	9,036
Other expenses		**(15,542)**	(4,348)
Research and development costs		**(20,618)**	(31,752)
Administrative expenses		**(28,231)**	(27,005)
Selling and distribution expenses		**(40,498)**	(30,515)
Finance costs	*6*	**(1,138)**	(895)
PROFIT/(LOSS) BEFORE TAX		**49,011**	(3,198)
Income tax credit/(expense)	*7*	**1,927**	(1,921)
PROFIT/(LOSS) AND TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		**50,938**	(5,119)
Attributable to:			
Owners of the parent		**50,938**	(5,119)
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic			
— For profit/(loss) for the period (RMB)	*9*	**1.34**	(0.14)
Diluted			
— For profit/(loss) for the period (RMB)	*9*	**1.32**	(0.14)

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			
Plant and equipment		**50,443**	52,568
Right-of-use assets		**35,898**	65,190
Goodwill		**9,711**	9,711
Other intangible assets		**32,494**	33,566
Prepayments, other receivables and other assets, non-current		**7,263**	9,986
Financial assets at fair value through profit or loss ("**FVTPL**"), non-current		**66,928**	9,474
Deferred tax assets		**4,115**	1,956
Investment in an associate		**—**	—
Total non-current assets		**206,852**	182,451
CURRENT ASSETS			
Inventories		**154,917**	171,114
Trade receivables	*10*	**104,069**	94,713
Prepayments, other receivables and other assets, current		**65,199**	35,785
Financial assets at FVTPL		**172,986**	111,815
Restricted cash		**3,214**	8,466
Cash and bank balances		**545,218**	601,905
Total current assets		**1,045,603**	1,023,798

	Notes	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
CURRENT LIABILITIES			
Trade and other payables	*11*	**58,407**	74,441
Lease liabilities, current		**7,195**	7,669
Contract liabilities		**2,076**	315
Total current liabilities		**67,678**	82,425
NET CURRENT ASSETS		**977,925**	941,373
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,184,777**	1,123,824
NON-CURRENT LIABILITIES			
Lease liabilities, non-current		**38,715**	28,079
Government grants		**27,925**	29,459
Deferred tax liabilities		**3,460**	4,038
Total non-current liabilities		**70,100**	61,576
Net assets		**1,114,677**	1,062,248
EQUITY			
Equity attributable to owners of the parent			
Share capital		**38,834**	38,834
Treasury shares		**(45,452)**	(45,452)
Reserves		**1,121,295**	1,068,866
Total equity		**1,114,677**	1,062,248

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

June 30, 2025

1. CORPORATE INFORMATION

Shanghai HeartCare Medical Technology Corporation Limited (the "**Company**") was incorporated in the People's Republic of China (the "**PRC**") on June 16, 2016 as a limited liability company. On December 3, 2020, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC. The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited on August 20, 2021. The registered office and the principal place of the Company is located at Building 38, No. 356, Zhengbo Road, Lingang New District, Pilot Free Trade Zone, Shanghai, the PRC.

The Company and its subsidiaries (the "**Group**") are principally engaged in the research, development, manufacturing and sale of innovative medical devices.

2. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended June 30, 2025 has been prepared in accordance with 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.

This interim condensed consolidated financial information is presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand except when otherwise indicated.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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*

The nature and impact of the amended IFRS Accounting Standard are described below:

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 exchangeability 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

Segment information

For management purposes, the Group is not organised into business units based on their products and only has one reportable operating segment. Management monitors the operating results of the Group's operating segment as a whole for the purpose of making decisions about resource allocation and performance assessment.

Geographical information

During the reporting period, most of the Group's revenue was derived from customers located in Mainland China and nearly all of the Group's non-current assets were located in Mainland China, and therefore no geographical segment information is presented in accordance with IFRS 8 *Operation Segments*.

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	For the six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers		
Sale of medical devices	**185,307**	128,484
Revenue from services provided	**215**	—
Total	**185,522**	128,484

Revenue from contracts with customers

Disaggregated revenue information

	For the six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Geographical markets		
Mainland China	**180,864**	125,081
Others	**4,658**	3,403
Total	**185,522**	128,484
Timing of revenue recognition		
Goods transferred at a point in time	**185,307**	128,484
Service provided at a point in time	**215**	—
Total	**185,522**	128,484

An analysis of other income and gains is as follows:

	For the six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Other income		
Interest income	**3,330**	4,349
Government grants	**5,362**	2,636
Total other income	**8,692**	6,985
Gains		
Foreign exchange gains, net	**—**	406
Gain on disposal of land use right	**726**	—
Fair value gains on financial assets at FVTPL	**19,021**	1,645
Total gains	**19,747**	2,051
Total other income and gains	**28,439**	9,036

6. FINANCE COSTS

	For the six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Interest on lease liabilities	**1,138**	895

7. INCOME TAX

	For the six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current — Mainland China		
Charge for the period	**810**	—
Deferred	**(2,737)**	1,921
Total	**(1,927)**	1,921

Deferred tax assets have not been fully recognised in respect of these losses and temporary differences as it is not considered probable that taxable profits will be available against which the tax losses can be utilised in the foreseeable future.

8. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the six months ended June 30, 2025, nor has any dividend been proposed since the end of the reporting period (during the six months ended June 30, 2024: Nil).

9. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings/(loss) per share amounts is based on the profit/(loss) for the period attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares outstanding for the six months ended June 30, 2025 and 2024.

No adjustment has been made to the basic loss per share amounts presented for the six months ended June 30, 2024 in respect of a dilution as the impact of the share award scheme had an anti-dilutive effect on the basic loss per share amounts presented.

The calculation of the diluted earnings per share amounts for the six months ended June 30, 2025 is based on the profit for the period attributable to ordinary equity holders of the parent, adjusted to reflect the share award scheme. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue outstanding during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed conversion of all dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings/(loss) per share are based on:

	For the six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
Earnings/(Loss)		
Profit/(Loss) attributable to ordinary equity holders of the parent, used in the basic profit/(loss) per share calculation (RMB'000)	**50,938**	(5,119)
Shares		
Weighted average number of ordinary shares outstanding during the period used in the basic earnings/(loss) per share calculation	**37,881,408**	37,771,501
Effect of dilution — weighted average number of ordinary shares:		
Share award scheme	**682,471**	—
Total	**38,563,879**	37,771,501

10. TRADE RECEIVABLES

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

	June 30,	December 31,
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 6 months	**104,069**	94,713

11. TRADE AND OTHER PAYABLES

	June 30, 2025 ***RMB'000*** **(Unaudited)**	December 31, 2024 *RMB'000* (Audited)
Trade payables	**14,070**	16,916
Payroll payable	**14,949**	19,623
Accrued expenses	**11,573**	12,348
Advance payments received for subscription of share awards	**541**	717
Other tax payables	**9,014**	9,896
Other payables	**8,260**	14,941
Total	**58,407**	74,441

An ageing analysis of the trade payables as at the end of each reporting period, based on the invoice date, is as follows:

	June 30, 2025 ***RMB'000*** **(Unaudited)**	December 31, 2024 *RMB'000* (Audited)
Within 3 months	**11,884**	14,747
3 to 6 months	**1,346**	1,008
6 to 12 months	**426**	276
1 to 2 years	**245**	501
More than 2 years	**169**	384
Total	**14,070**	16,916

MANAGEMENT DISCUSSION AND ANALYSIS

I. BUSINESS REVIEW

Overview

We are an innovative medical device company committed to improving the accessibility of innovative medical technologies and protecting lives and health. We have established a pioneering leadership position in China's neuro-interventional market and successfully provided the first domestic one-stop solution for stroke treatment and prevention. Leveraging our advantage in R&D, manufacturing and commercialization, we strive to fulfill the unmet needs of clinicians and patients in the fields with tremendous opportunities, redefine the standard of care, reduce mortality rate, and improve prognosis by continuously launching innovative medical devices.

In the first half of 2025, the Company recorded revenue of RMB185.5 million, representing a year-on-year increase of 44.4%, as well as gross profit margin increase to 68.2%. The Group recorded a net profit attributable to the Shareholders of RMB50.9 million, representing a significant turnaround from the net loss attributable to the Shareholders of approximately RMB5.1 million for the six months ended June 30, 2024. Such a turnaround is primarily attributable to business growth of the Company, driven by increased revenue from the newly launched hemorrhagic stroke treatment devices and higher sales of ischemic stroke treatment devices and other hemorrhagic stroke treatment devices, as well as a decrease in the overall expense ratio of the Company. The expense rate of the selling and distribution expenses and administrative expenses decreased from 44.8% to 37.0% compared with the same period of 2024, as the business scale expands and the effects of cost control and efficiency enhancement measures become evident.

In order to adapt to the fast-changing market environment, the Company continuously promotes the upgrade of its neuro-intervention business toward the focus on differentiated treatment devices. Sales volume of ischemic stroke treatment devices and other access devices increased by 38.3% and 29.2% respectively. Revenue of hemorrhagic stroke treatment devices approximately increased by RMB37.7 million as compared with the same period of 2024, which is mainly attributable to the newly launched devices.

During the Reporting Period, the Company recorded R&D costs of RMB20.6 million which was utilized to support the diversified candidates of neuro-intervention treatment devices. Our flow diverter device has obtained NMPA approvals. As of the date of this announcement, our full set treatment devices for complete solution of hemorrhagic stroke treatment, which included vascular reconstruction device (NMPA innovative device qualification), embolic coil and flow diverter device have launched and commenced sales. Furthermore, the Company aims to enhance the competitiveness of key thrombectomy devices (aspiration catheter and thrombectomy stent) and one-stop medical device solutions for different subtypes of acute ischemic stroke. At the same time, R&D of self-expanding drug stent and carotid artery stent for the treatment of intracranial stenosis is progressing as planned.

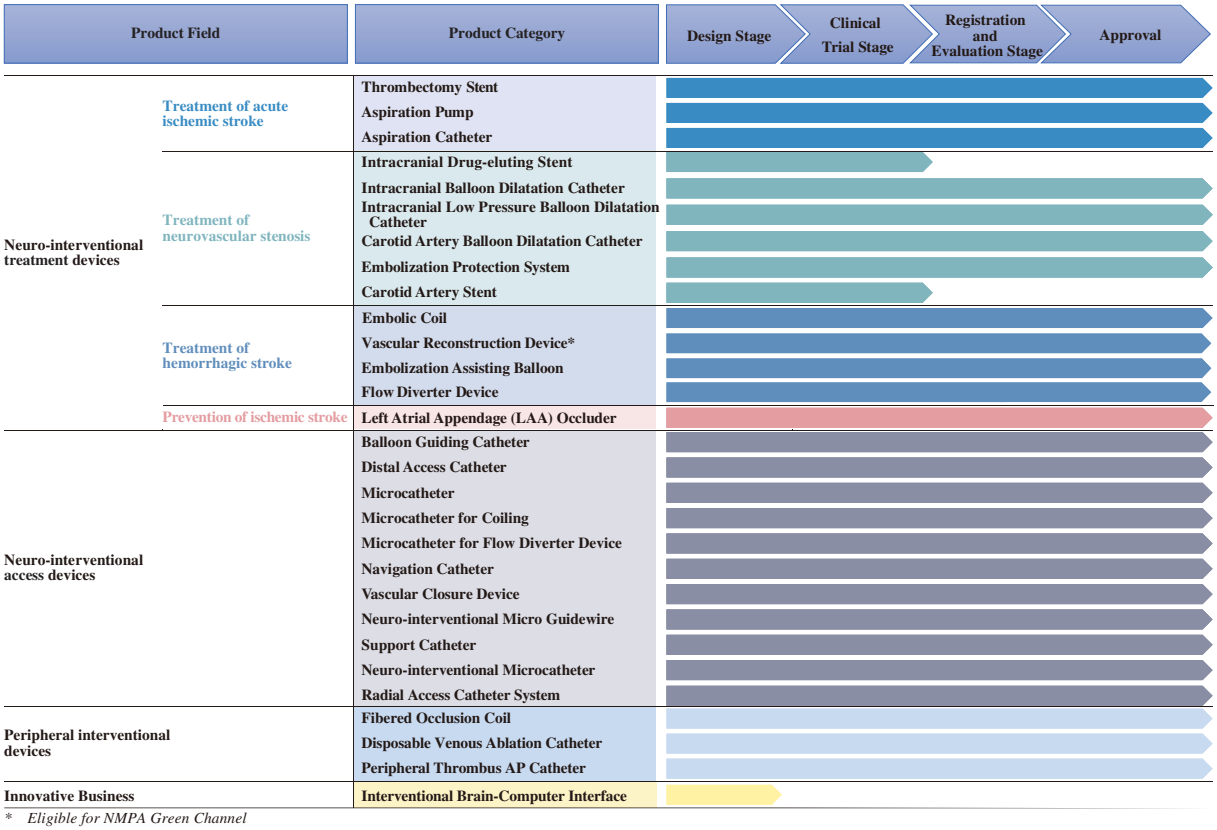
In the overseas market, the Company has obtained CE or FDA certification of the thrombectomy stent, balloon guiding catheter, distal access catheter and microcatheter, as well as 31 other registration certificates in eight other countries or regions. Up to now, the Company has been working on approximately 100 product registrations in 21 countries or regions, expanding sales channels, and laying the foundation for achieving long-term goals in overseas sales.

Products and Pipeline

As of the date of this announcement, we have 32 device products approved by NMPA, three device products approved by FDA and one product obtained CE Mark.

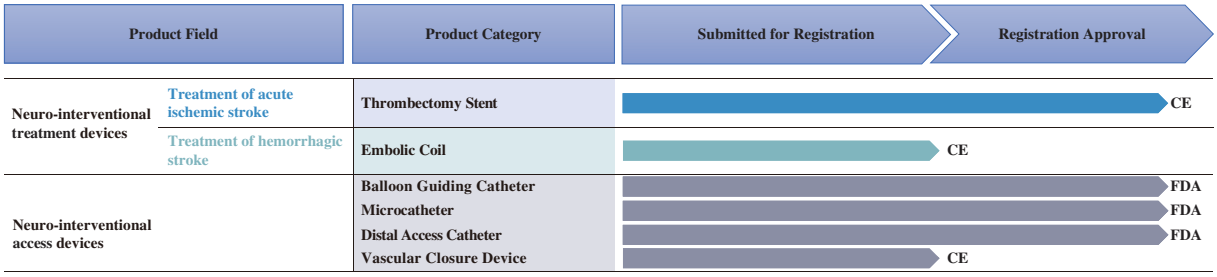
The following diagram summarizes the development status of our pipeline including approved products and broad product pipelines in the late-stage of R&D covering acute ischemic stroke and neurovascular stenosis treatment, hemorrhagic stroke treatment, ischemic stroke prevention, interventional access, peripheral interventional devices and innovative business as of the date of this announcement:

NMPA Pipeline



* *Eligible for NMPA Green Channel*

FDA and Conformité Européenne (CE) Pipeline



Our Key Neuro-interventional Products and Product Candidates

Ischemic Stroke Thrombectomy Devices

Core Product — Captor® Thrombectomy Stent ("Captor") is the first domestic thrombectomy stent retriever with multi-markers approved by NMPA. Sales in China started in December 2020. As of the date of this announcement, we have upgraded Captor by adding more product models with stents of varying lengths and diameters. Depending on the occluded blood vessel diameter and thrombus size, physicians may choose the stent retriever with the proper length and size, out of a selection of nine product models. We are evaluating the opportunities for upgrading Captor for indication expansion. Further, we are evaluating the opportunities to market Captor overseas and may apply for its registration in the United States subject to the results of our evaluation. This product has obtained CE Mark.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP NEW INDICATION AND SPECIFICATIONS AND EXPAND OVERSEAS MARKET FOR OUR CAPTOR SUCCESSFULLY.

Aspiration Catheter is used in the aspiration thrombectomy procedure to retrieve the thrombus and restore blood flow in occluded cerebral vessels for patients with acute ischemic stroke with large vessel occlusion ("**AIS-LVO**"). Aspiration thrombectomy can be performed not only on a stand-alone basis, but also together with stent retrieving thrombectomy in accordance with the patient's symptoms. We have obtained the NMPA approval for our aspiration catheter and sales commenced in 2022.

Carotid artery heavy load thrombus aspiration technique (CATCH) combines our 8F large-inner lumen Aspiration Catheter ("**088 Aspiration Catheter**") with an approved aspiration indication. With a larger cross-sectional area, 088 Aspiration Catheter provides stronger negative pressure and thrombus accommodation space, enhancing recanalization rates. This allows physicians to precisely and rapidly remove thrombi during acute stroke thrombectomy, improving patient outcomes and gaining widespread clinical recognition.

Besides Captor and Aspiration Catheter, our **Aspiration Pump** for the treatment of ischemic stroke has obtained NMPA approval, and we had a product portfolio covering stents and aspiration thrombectomy procedure for the emergency treatment of different subtypes of acute ischemic stroke.

Intracranial Stenosis Treatment Devices

Intracranial Balloon Dilatation Catheter and Carotid Artery Balloon Dilatation Catheter are designed to be used in balloon angioplasty procedures for patients with intracranial stenosis, with the former used in intracranial vessels and the latter in the carotid artery. The balloon dilatation catheters are designed to be passed into the narrowed artery and push the plaque to the sides of the artery and improve the patient's blood flow. We received the NMPA approvals for our intracranial balloon dilatation catheter and carotid artery balloon dilatation catheter in 2021.

Embolization Protection System is used in interventional procedures for peripheral, coronary artery and carotid artery to capture and remove debris that dislodges during the procedures. It can help prevent the debris from blocking smaller vessels, which may result in procedural complications. We have obtained the NMPA approval for our embolization protection system.

Intracranial Drug-eluting Stent ("Intracranial DES") is a stent placed into narrowed and diseased arteries that slowly releases an anti-proliferative drug to block cell proliferation. The stent is usually placed within arteries during an angioplasty procedure. Drug-eluting stents generally consist of three parts — the stent platform, a polymer coating that binds the drug to the stent and releases drug, and the drug. As at the date of the announcement, our Intracranial DES has completed clinical trials and is awaiting the clinical trial report for registration.

Carotid Artery Stent is an endovascular implantable device designed for the treatment of extracranial carotid artery stenosis, typically deployed via percutaneous transluminal angioplasty (PTA) with embolic protection. As at the date of the announcement, our carotid artery stent is in clinical trial stage.

Hemorrhagic Stroke Treatment Devices

Vascular Reconstruction Device is used in aneurysm coiling procedures for patients with aneurysm. It is designed for bridging the neck of aneurysm to support the coils placed in the aneurysm. Our vascular reconstruction device (NMPA innovative device qualification) is the first domestically developed aneurysm embolization assist stent and has been approved by NMPA in October 2024, and sales has commenced. As of the date of this announcement, our vascular reconstruction device have rapidly been adopted by approximately 200 medical institutions and gained widespread recognition, thus acting as a strong driver for revenue growth.

Embolic Coil is a hemorrhagic stroke treatment device used to treat intracranial aneurysms through embolization. It can be released at the location of the aneurysm, filling the aneurysm to isolate the aneurysm from normal blood circulation and prevent the aneurysm from further expanding and breaking. We have obtained the NMPA approval and commenced sales in 2022.

Flow Diverter Device is a neurovascular stent placed in the blood vessel of an aneurysm, which can divert blood flow away from the aneurysm. Over time, blood flow into the aneurysm may slow down and the aneurysm may shrink, thus healing the blood vessel. As at the date of this announcement, our flow diverter device has obtained NMPA approval and commenced sales.

Ischemic Stroke Prevention Devices

Core Product — LAA Occluder is a stroke prevention device designed to be permanently implanted at the opening of the LAA of patients with non-valvular atrial fibrillation (AF) to prevent thrombus escaping from the LAA, thus causing embolization. LAA Occlusion is a one-time surgical therapy with proven efficacy, in particular for the patient who is not suitable for long-term oral anticoagulation therapy and has a higher risk for bleeding complications. We have obtained the NMPA approval and commenced sales in 2022.

Vascular Access Devices

Vascular Closure Device is designed for closure of large bore femoral arterial access site when the neuro-interventional and cardiac-interventional procedures are completed. Our Vascular Closure Device features an extensive array of specifications and models to accommodate various clinical needs. Owing to its reliable performance and quality, Our Vascular Closure Device has received widespread market recognition, with its market share showing a continuous upward trend. Furthermore, we have established a strategic partnership with Hangzhou Matrix Medical Technology Co., Ltd (杭州矩正醫療科技有限公司) for the collaborative promotion of Collseal vascular closure device, enriching our comprehensive portfolio of hemostasis solutions.

Besides Vascular Closure Device, we are also developing various vascular access devices for use in interventional procedures. As of the date of this announcement, we have obtained NMPA approvals for **Distal Access Catheter, Microcatheter, Balloon Guiding Catheter, Support Catheter, Neuro-Interventional Microcatheter, Neuro-interventional Micro Guidewire, Microcatheter for Coiling, Microcatheter for Flow Diverter Device, Navigation Catheter, and Radial Access Catheter System**.

In addition, we have several other product candidates in the design stage, which further supplement our full-set product portfolio for the treatment and prevention of stroke. For details of our products and product candidates, please refer to the Company's prospectus dated August 10, 2021.

Innovative Business

Interventional Brain-Computer Interface (BCI) is a product developed using traditional minimally invasive vascular intervention technology, enabling long-term implantation and stable electroencephalogram signal acquisition. Unlike invasive and non-invasive BCIs, it employs a minimally invasive electrode implantation assisted by vascular puncture, precisely capturing electroencephalogram signals and decoding brain intentions, while avoiding major blood vessels and critical brain tissue. This technology offers a balance of minimal invasiveness, high safety, precision, and reliability. As at the date of the announcement, the product has undergone two sheep trials and one monkey trial and is in preparation for human clinical trials.

Research and Development

The Company's product R&D aims to build a high-quality product portfolio with market competitiveness. Capitalizing on existing R&D platforms, certain products we developed are qualified for NMPA priority review. Meanwhile, we formed a multi-level product matrix through continuously iterating products approved for marketing, so as to meet the clinical needs.

As of the date of this announcement, we had 267 registered patents, including 132 invention patents, 121 utility models and 14 industrial design patents. As of the date of this announcement, we also had 80 pending patents applications, including 76 invention patents and 4 utility models.

Manufacturing

In terms of manufacturing, we continuously improve our product quality and competitive advantage based on a stable and efficient supply chain.

As of the date of this announcement, we have two production facilities in Shanghai Lingang New Area and Nanjing Jiangbei New Area, which can ensure a sufficient supply of products.

Commercialization

As of the date of this announcement, we have established an extensive distribution network covering over 2,500 hospitals across all provinces nationwide other than Macau.

Meanwhile, academic exchange platforms elaborately built by us contribute to our brand image and influence in the market through diversified channels and digital media, laying the foundation for long-term and stable revenue growth.

Future and Outlook

We aim to become the leader in the neuro-interventional medical device market in China, and to develop into a competitive domestic device company in several innovative medical device markets within China.

We plan to implement the following strategies to achieve this goal:

- improve our brand recognition as a comprehensive neuro-interventional device solution provider in the market, expand sales of our commercialized neuro-interventional devices and rapidly advance our product candidates into commercialization;

- further enhance our manufacturing capabilities to ensure reliability of our product supply; and

- promote the development of innovative medical devices in emerging therapeutic fields with high potential growth market to form a second business unit with a competitive commercialized product portfolio in addition to our neuro-interventional business.

The Company also proposed to apply to the relevant PRC authorities for the issuance of A shares to be listed on the Science and Technology Innovation Board of the Shanghai Stock Exchange, please refer to the Company's announcements dated October 10, 2022, November 9, 2022, October 16, 2023 and October 17, 2024 and circulars dated October 24, 2022, October 20, 2023 and October 21, 2024 for further details.

II. FINANCIAL REVIEW

Overview

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

Revenue

For the six months ended June 30, 2025, our revenue was mainly generated from the sales of our commercialized neuro-interventional devices.

Revenue increased by 44.4% from RMB128.5 million for the six months ended June 30, 2024 to RMB185.5 million for the six months ended June 30, 2025. The increase in revenue was mostly attributable to continuous sales growth of our ischemic stroke treatment devices, as well as other access devices. Meanwhile, the newly launched hemorrhagic stroke treatment devices have contributed to a significant increase in the company's revenue.

Cost of Sales

Cost of sales increased from RMB46.2 million for the six months ended June 30, 2024 to RMB58.9 million for the six months ended June 30, 2025, which was in line with the increase in our revenue.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit increased from RMB82.3 million for the six months ended June 30, 2024 to RMB126.6 million for the six months ended June 30, 2025. Gross profit margin is calculated as gross profit divided by revenue. Our gross profit margin increased from 64.0% for the six months ended June 30, 2024 to 68.2% for the six months ended June 30, 2025, primarily due to increased manufacture scale, and the increasingly mature manufacturing techniques.

Other Income and Gains

Other income and gains increased from RMB9.0 million for the six months ended June 30, 2024 to RMB28.4 million for the six months ended June 30, 2025, primarily attributable to (i) the increase in fair value gain on financial assets on FVTPL; and (ii) the increase in our government grants.

Research and Development Costs

Research and development costs decreased from RMB31.8 million for the six months ended June 30, 2024 to RMB20.6 million for the six months ended June 30, 2025, primarily due to (i) the reduction of number of staff of the R&D team; and (ii) the reduction in third party contracting costs.

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

	Six months ended June 30, 2025 (Unaudited)		Six months ended June 30, 2024 (Unaudited)	
	RMB million	***%***	*RMB million*	*%*
Staff costs	**8.1**	**39.4**	12.0	37.7
Depreciation	**3.1**	**15.0**	4.0	12.6
Third party contracting costs	**5.9**	**28.7**	13.1	41.2
Raw materials and consumables	**2.7**	**12.8**	1.6	5.0
Others	**0.8**	**4.1**	1.1	3.5
Total	**20.6**	**100.0**	31.8	100.0

Administrative Expenses

Administrative expenses increased from RMB27.0 million for the six months ended June 30, 2024 to RMB28.2 million for the six months ended June 30, 2025, primarily attributed to a increase in professional service fees.

Selling and Distribution Expenses

Selling and distribution expenses increased from RMB30.5 million for the six months ended June 30, 2024 to RMB40.5 million for the six months ended June 30, 2025, primarily attributed to increasing in market development costs.

Finance Costs

Finance costs remained relatively stable, increasing slightly from RMB0.9 million for the six months ended June 30, 2024 to RMB1.1 million for the six months ended June 30, 2025.

Borrowings and Gearing Ratio

As at June 30, 2025, the Group has not incurred any outstanding borrowing. The gearing ratio (calculated by dividing the sum of borrowings and lease liabilities by total equity) of the Group as at June 30, 2025 was 4.1%, compared to 3.4% for the year ended December 31, 2024.

Liquidity and Financial Resources

We primarily rely on capital contributions by our shareholders, equity financing as the major sources of liquidity as well as cash generated from our sales revenue of existing commercialized medical device products. As part of our treasury policy, our management monitors and maintains a level of cash and bank balances deemed adequate to finance our operations and mitigate the effects of fluctuations in cash flows. As our business develops and expands, we expect to generate more cash from our operating activities, through increasing sales revenue of the existing commercialized products and by launching new products.

Our cash and bank balances as of June 30, 2025 were RMB545.2 million, representing a decrease of RMB56.7 million compared to RMB601.9 million as of December 31, 2024.

Our net current assets as of June 30, 2025 were RMB977.9 million, representing a increase of RMB36.5 million compared to RMB941.4 million as of December 31, 2024.

Capital Expenditure

For the six months ended June 30, 2025, our total capital expenditure amounted to approximately RMB9.2 million as compared to a capital expenditure of RMB1.4 million for the six months ended June 30, 2024, the capital expenditure was primarily used in the plant and equipment.

Contingent Liabilities

As of June 30, 2025, the Group did not have any material contingent liabilities.

Significant Investments, Material Acquisitions and Disposals

As of June 30, 2025, the Group did not have material acquisitions and disposals of subsidiaries, associates and joint ventures, or had any significant investment accounting for more than 5% of the Group's total assets.

Pledge of Assets

As of June 30, 2025, the Group had no pledge of assets.

Foreign Exchange Exposure

We are exposed to foreign currency risk mainly arising from cash at bank denominated in USD and HKD. 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

We had not authorized any plan for the material investments or acquisition of capital asset as of the date of this announcement.

Human Resources

As of June 30, 2025, we had 327 full-time employees in total.

The remuneration policy for the Directors and senior management is based on their responsibility and general market conditions. Any discretionary and performance bonus are linked to the general performance of the Group and the individual performances of the Directors and senior management.

In compliance with the relevant PRC labor laws, we enter into individual employment contracts with our employees covering matters such as terms, wages, bonuses, employee benefits, workplace safety, confidentiality obligations and grounds for termination.

To remain competitive in the labor market, we also provide various incentives and benefits to our employees. We invest in continuing education and training programs, including internal and external training, for our management staff and other employees to upgrade their skills and knowledge. We also provide competitive salaries and stock incentive plans to our employees especially key employees. We believe our benefits, working environment and development opportunities for our employees have contributed to good employee relations and employee retention.

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 OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares, if any) during the six months ended June 30, 2025.

As of June 30, 2025, there are no treasury shares as defined under Listing Rules held by the Company. Treasury shares presented notes 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 did not declare the payment of an interim dividend for the six months ended June 30, 2025 (six months ended June 30, 2024: Nil).

SUBSEQUENT EVENT AFTER THE REPORTING PERIOD

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 dealings in the securities of the Company by the Directors, Supervisors and the Group's senior management who, because of their office or employment, are likely to possess inside information in relation to the Company or its securities.

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

CORPORATE GOVERNANCE PRACTICES

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 as set out in the CG Code as its own code to govern its corporate governance practices. Except for code provision C.2.1 set out below, in the opinion of the Directors, the Company has complied with all the code provisions as set out in Part 2 of the CG Code during the Reporting Period.

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 Guohui is the chairman of the Board and chief executive officer of the Company. With extensive experience in the medical devices industry and having served in the Company as the general manager since the very early stage of the Company, Mr. Wang is in charge of overall management of the Company. Despite the fact that the roles of our chairman of the Board and our chief executive officer 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 both chairman of the Board and chief executive officer all in Mr. Wang has the benefit of ensuring consistent leadership and more effective and efficient overall strategic planning of the Company. The balance of power and authority is ensured by the operation of our Board, which comprises experienced and diverse individuals. The Board currently comprises three non-executive Directors and three independent non-executive Directors as compared to three executive Directors. Therefore, the Board possesses a strong independent element in its composition. The Board will continue to review and monitor the practices of the Company with an aim of maintaining a high standard of corporate governance.

REVIEW OF INTERIM RESULTS AND INTERIM REPORT

The Audit Committee currently has three members comprising two independent non-executive Directors, being Mr. Gong Ping (chairman) and Mr. Feng Xiangqian, and one non-executive Director, being Mr. Ding Kui, with terms of reference in compliance with Rule 3.21 of the Listing Rules. The Audit Committee has considered and reviewed the accounting principles and practices adopted by the Group and has discussed matters in relation to internal controls, risk management and financial reporting with the management, including the review of the unaudited condensed consolidated interim financial results and the interim report of the Group for the six months ended June 30, 2025.

The Audit Committee, together with the management of the Company, considers that the interim financial results for the six months ended June 30, 2025 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

The Company's independent auditor, Ernst & Young, has reviewed the interim financial information of the Group for the six months ended June 30, 2025 in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.heartcare.com.cn). The interim report of the Company for the Reporting Period 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:

"Audit Committee"	the audit committee of the Board
"Board"	the board of directors of the Company
"CG Code"	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
"China" or "PRC"	the People's Republic of China, but for the purpose of this announcement and for geographical reference only and except where the context requires, excluding Hong Kong, Macau Special Administrative Region and Taiwan
"Company"	Shanghai HeartCare Medical Technology Corporation Limited (上海心瑋醫療科技股份有限公司), a joint stock limited liability company incorporated in the PRC, whose H Shares are listed on the Stock Exchange (Stock Code: 6609)
"Director(s)"	the director(s) of the Company or any one of them
"FDA"	the U.S. Food and Drug Administration
"Group", "our", "we" or "us"	the Company and its subsidiaries

"H Share(s)"	the overseas listed foreign share(s) with a nominal value of RMB1.00 each in the share capital of the Company, which are listed on the Hong Kong Stock Exchange and subscribed for and traded in Hong Kong dollars
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong dollars" or "HKD"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
"IFRS"	International Financial Reporting Standards, as issued from time to time by the International Accounting Standards Board
"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
"NMPA"	the National Medical Products Administration (國家藥品監督管理局) and its predecessor, the China Food and Drug Administration (國家食品藥品監督管理總局) or the CFDA
"R&D"	research and development
"Reporting Period"	the six months ended June 30, 2025
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"Share(s)"	share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, comprising the Unlisted Shares and H Shares
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subsidiary"	has the meaning ascribed thereto under the Listing Rules
"Supervisor(s)"	the supervisor(s) of the Company

"United States"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"Unlisted Share(s)"	the ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed and credited as fully paid up in Renminbi
"USD"	United States dollars, the lawful currency of the United States
"%"	per cent

By Order of the Board
Shanghai HeartCare Medical Technology Corporation Limited
Wang Guohui
Chairman of the Board

Shanghai, August 29, 2025

As at the date of this announcement, the executive Directors are Mr. Wang Guohui, Ms. Zhang Kun and Mr. Wei Jiawei; the non-executive Directors are Mr. Ding Kui, Mr. Chen Shaoxiong and Mr. Chen Gang and the independent non-executive Directors are Mr. Guo Shaomu, Mr. Feng Xiangqian and Mr. Gong Ping.