BrainAurora Medical Technology Limited
脑动极光医疗科技有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 6681

2025 INTERIM REPORT

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors
Mr. Tan Zheng (譚錚)
(Chairman of the Board)
Dr. Wang Xiaoyi (王曉怡)
(resigned with effect from June 19, 2025)

Non-executive Directors
Mr. Li Sirui (李思睿)
Ms. Li Mingqiu (李明秋)
Mr. Deng Feng

Independent Non-executive Directors
Mr. Lam Yiu Por (林曉波)
Dr. Duan Tao (段濤)
Mr. Li Yuezhong (李月中)

CORPORATE HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

Room 1301, 13/F, Building 3, Shaoxing
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No. 2 Pingjiang Road
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Zhejiang Province
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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Causeway Bay
Hong Kong

REGISTERED OFFICE

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Cayman Islands

PRINCIPAL SHARE REGISTRAR

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Palm Grove Unit 4
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P.O. Box 52A Edgewater Way, #1653
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Cayman Islands

JOINT COMPANY SECRETARIES

Mr. Wang Junjie (王俊傑)
Ms. Sham Ying Man (岑影文)

AUTHORIZED REPRESENTATIVES

Mr. Tan Zheng (譚錚)
Ms. Sham Ying Man (岑影文)

AUDIT COMMITTEE

Mr. Lam Yiu Por (林曉波) *(Chairman)*
Mr. Li Yuezhong (李月中)
Dr. Duan Tao (段濤)

REMUNERATION COMMITTEE

Mr. Li Yuezhong (李月中) *(Chairman)*
Mr. Lam Yiu Por (林曉波)
Dr. Duan Tao (段濤)

CORPORATE INFORMATION

NOMINATION COMMITTEE

Mr. Tan Zheng (譚錚) *(Chairman)*
Mr. Li Yuezhong (李月中)
Dr. Duan Tao (段濤)

HONG KONG SHARE REGISTRAR

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

STOCK CODE

6681

AUDITOR

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Certified Public Accountants and Registered Public Interest Entity Auditor
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COMPANY WEBSITE

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COMPLIANCE ADVISER

SPDB International Capital Limited
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One Hennessy
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Hong Kong

PRINCIPAL BANKS

Agricultural Bank of China Shaoxing Paojiang Branch
No. 86, Century East Street
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Chaoyang District
Beijing
China

LISTING DATE

January 8, 2025

BUSINESS HIGHLIGHTS

During the first half of 2025, we have made significant progress in advancing our product pipeline, AI technology innovations and business operations. Specifically, we made progress in the following areas:

1. Significant Progress in Core Pipeline in Research and Clinical Trials

(1) Dyslexia Adjunctive Recovery Training Software

The R&D phase has been completed, and it is now about to enter the registered clinical trial stage. Ethical approval from the main center has been obtained currently, with patient enrollment expected to begin by the end of the third quarter of this year and ethical reviews for sub-centers to be applied for. Data collection is projected to conclude in early 2026, followed by the submission of applications for medical device registration certificates by the end of the third quarter of 2026.

(2) Randomized Controlled Trial of Cognitive Digital Therapeutics for Hypertension, Coronary Heart Disease and Atrial Fibrillation Patients with Cognitive Impairment but No Dementia

The series of studies comprises three sub-studies, with a total of 649 patients enrolled. Follow-up for all patients was completed in 2024. To date, data analysis and report writing have been finalized, and the Company plans to submit applications for medical device registration certificates in 2026.

(3) Depression Treatment Software

The Company has completed both the development and pilot testing phases of the treatment software, with plans to initiate clinical trials for depression treatment software in 2026.

(4) Breakthrough in Combined Digital-drug Therapy for Attention Deficit Hyperactive Disorder (ADHD) in Children

In collaboration with the Sixth Hospital of Peking University, the Company completed the "Development and Application of Electronic Targeted Intervention Technology for ADHD Based on Multidimensional Cognitive Function Assessment". This marks China's first multicenter randomized controlled trial validating the efficacy of combined digital-drug therapy on key symptoms in children with ADHD, with findings published in "BMC Medicine".

The study randomly divided 124 children with ADHD into a monotherapy group (atomoxetine) and a group receiving targeted cognitive digital therapeutics combined with medication, for an 8-week intervention. Results showed significantly greater improvement in the combined group across multiple key symptoms compared to the monotherapy group that took only atomoxetine: attention deficit scores improved from 23.3% to 34.6%, hyperactivity-impulsivity scores improved from 18.0% to 34.6%, and overall key symptom scores improved from 21.5% to 34.3%. This study successfully demonstrated the marked efficacy of combined digital-drug therapy in alleviating ADHD key symptoms compared to monotherapy (atomoxetine), filling a gap in China's evidence-based research on ADHD digital therapeutics (DTx). It also signifies the entry of combined digital-drug therapy into a new phase of synergistic enhancement. This therapy breaks through the limitations of traditional medications, showcasing the precision potential of digital therapeutics in neurodevelopmental disorders.

BUSINESS HIGHLIGHTS

2. Continuously Driving Innovation and Application of AI in the Medical Field

   (1) The paper titled "Improve Decoding Factuality by Token-wise Cross Layer Entropy of Large Language Models", authored by the Company, proposes a cross-layer entropy-enhanced decoding method that mitigates hallucination issues without requiring additional training of large language model parameters. The paper has been accepted by the North American Chapter of the Association for Computational Linguistics (NAACL2025), one of the top three international conferences in the field of natural language processing. While large models have broad application scenarios in healthcare, issues such as hallucinations have remained key obstacles. This research provides a novel approach to address hallucination problems in large models.

   (2) The Company's self-developed medical large model, BrainAuGPT, has been granted a national invention patent for its novel method of recommending training task combinations for large language models based on GBR second-order knowledge representation. Empowered by large models, the virtual human intelligent evaluation system has undergone comprehensive upgrades, now supporting multiple languages with more accurate intention understanding and the ability to detect patients' emotional changes for empathetic interactions. The personalized cognitive training intervention system, based on a cognitive deep-reasoning large model, represents the cutting edge of digital transformation in healthcare sector. By leveraging Monte Carlo Tree Search hybrid inference techniques and dynamic feedback control mechanisms, it achieves high-dimensional parameter optimization and personalized matching of intervention plans, delivering "precise prescription tailored to each individual" for patients with cognitive dysfunction. Additionally, the BrainAu Onebox M1, an all-in-one smart medical large model device developed based on BrainAuGPT, was successfully launched in 2025.

3. Steady and Rapid Business Development

   Our revenue increased by RMB48.16 million from RMB51.89 million for the six months ended June 30, 2024 to RMB100.05 million for the six months ended June 30, 2025, representing a year-on-year increase of 92.81%.

FINANCIAL HIGHLIGHTS

	Six months ended June 30,		Period-on-Period change
	2025	2024	
	RMB'000	RMB'000	**%**
Revenue	**100,051**	51,887	92.82%
Loss and total comprehensive expense for the period	**(126,881)**	(114,389)	-10.92%
Adjusted net loss for the period*	**(88,022)**	(78,842)	-11.64%

* Adjusted net loss for the period is not defined under the International Financial Reporting Standard (the "**IFRS**"), it represents the loss for the period excluding the effect brought by fair value changes on convertible redeemable preferred shares and expenses under the employee long-term incentive plans.

MANAGEMENT DISCUSSION AND ANALYSIS

I. OVERVIEW

We are a seasoned player in China's cognitive impairment digital therapeutics (the "**DTx**") market. We are the first company in China that has developed a medical-grade DTx product for cognitive impairment, combining brain science with advanced artificial intelligence (the "**AI**") technologies. Our product pipeline covers both the assessment and intervention of a broad range of cognitive impairments induced by vascular diseases, neurodegenerative diseases, psychiatric disorders, and child development deficiencies, among others. Our Core Product (as defined in Chapter 18A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**")), the Brain Function Information Management Platform Software System is the first cognitive impairment DTx product that has obtained regulatory approval in China.

We are a commercial stage company. As of the date of this report, our Core Product had been included in the provincial health insurance reimbursement lists of 30 provinces in China. We are committed to assisting medical institutions across the country to establish diagnostic and treatment centers for cognitive impairment, and building long-term business relationships with medical institutions to promote the development of cognitive impairment DTx market in China. As of the date of this report, we had helped more than 200 hospitals establish cognitive centers in China, including several leading hospitals with "National Medical Center" (國家醫學中心) certification for various medical specialties by the NHC. We are committed to making achievements in the brain scientific research to DTx products and building a digital platform for DTx and comprehensive health management that benefit cognitive impairment patients.

We have established a broad DTx product pipeline. The Core Product had been commercialized for eight indications from four major types of cognitive impairment and is under development for several other cognitive impairment indications as of the date of this report. We had three other products with regulatory approvals in China, one other product with regulatory approval in the EU and six product candidates under different stages of preclinical and clinical development or registration process as of the date of this report. We enjoy rights with respect to our products and product candidates in jurisdictions where we receive regulatory approvals.

MANAGEMENT DISCUSSION AND ANALYSIS

II. OUR PRODUCTS AND PRODUCT PIPELINE

The following chart summarizes the development status of our products as of the date of this report:

A. Our Core Product – Brain Function Information Management Platform Software System (the "System")

Our Core Product, the System, is an evidence-based, medical-grade DTx product, and the first cognitive impairment DTx product in China to receive regulatory approval. In September 2018, we obtained the initial Class II medical device registration certificate from the Hunan Medical Products Administration (the "**Hunan MPA**") for the System. In June 2020, we obtained an amended certificate (the "**2020 Amended Certificate**") from the Hunan MPA to include the screening, assessment, recovery and data analysis of eight specific indications. In May 2023, we renewed the 2020 Amended Certificate with the Hunan MPA (the "**2023 Renewed Certificate**"), which contains the same indication coverage as the 2020 Amended Certificate.

The System is software that combines clinical experience in brain science with deep neutral networks ("**DNN**") algorithms, a powerful category of machine learning algorithms, to assess a patient's cognitive impairment and provide personalized DTx treatment options. The System enables clinical assessment and interventions for various types of cognitive impairment induced by vascular diseases, neurodegenerative diseases, psychological disorders and child development deficiencies, among other types of cognitive impairments. The System incorporates our two underlying technologies, namely virtual human and AI technologies. In particular, our DNN algorithms are trained with a large amount of information on patient demographics, clinical assessment, diagnosis and information collected during patients' participation in training tasks at diverse difficulty levels. Our DNN algorithms undergo constant iteration and training to dynamically adjust the content of the training tasks. The DNN algorithms can identify the most suitable training out of millions of different possible combinations, building on over 300 training modules that are designed to activate the appropriate brain regions for the best therapeutic effect.

Patients that use the System typically suffer from cognitive impairment, which is what the System addresses. Such cognitive impairments may be induced by many classes of diseases, such as vascular diseases, neurodegenerative diseases, psychiatric disorders and child development deficiencies. In addition, the clinical trials that have been undertaken on the System demonstrate the safety and efficacy of the System in improving patients' cognitive functions (such as speed, attention, perception, long-term memory, working memory, calculation, executive control, reasoning and problem solving), not the inducing diseases themselves. Therefore, despite the variety in the diseases that could induce cognitive impairment, the eight existing indications as well as the potential new indications are considered indication expansion of the System and can be added to the same medical device registration certificate.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET THE SYSTEM WITH NEW INDICATIONS SUCCESSFULLY.

MANAGEMENT DISCUSSION AND ANALYSIS

B. Our Other Key Products and Product Candidates

As of the date of this report, four of our products besides the System had obtained regulatory approvals in China or abroad, including, among others, BCAT, SAS and DSS (terms defined below).

Basic Cognitive Testing Software (the "BCAT")

BCAT is designed to facilitate healthcare professionals' assessment of patients' basic cognitive capacity by enabling patients to self-administer tests of their cognitive capacities relating to processing speed, working memory, episodic memory, visual-spatial ability and verbal comprehension. We obtained a Class II medical device registration certificate from the Hunan MPA for the BCAT in October 2022. After obtaining regulatory approval in 2022, we have been and are undergoing further research and preparing additional scientific literature with regards to BCAT, which we believe would be conducive to improving its market recognition and acceptance by the medical community. We have commenced the commercialization of BCAT in 2025.

Cognitive Ability Supplemental Screening and Assessment software (the "SAS")

SAS is designed to facilitate healthcare professionals' assessment of patients' cognitive capacity by enabling patients to self-administer Mini-Mental State Examination and Montreal Cognitive Assessment tests. We obtained a Class II medical device registration certificate from the Hunan MPA for the SAS in December 2022 after submitting relevant clinical evaluation materials. After obtaining regulatory approval in 2022, we have been and are undergoing further research and preparing additional scientific literature with regards to SAS, which we believe would be conducive to improving its market recognition and acceptance by the medical community. We have commenced the commercialization of SAS in 2025.

Dyslexia Supplemental Screening and Assessment Software (the "DSS")

DSS is designed to facilitate the assessment of risk of developmental dyslexia in children. We received a Class II medical device registration certificate for DSS in September 2023 from the Hunan MPA. In support of our application for the above Class II medical device registration certificate, we submitted a clinical comparison with the System. DSS was commercialized in 2025.

Dyslexia Adjunctive Recovery Training Software

We are currently conducting a clinical trial for our Dyslexia Adjunctive Recovery Training Software product. The main components of the Dyslexia Adjunctive Recovery Training Software are: 1. perceptual training module; 2. language-based training module. The training task system covers cognitive domains such as perception, reading, attention, and language, aiming to improve reading accuracy and fluency through targeted exercises.

MANAGEMENT DISCUSSION AND ANALYSIS

Quantitative Cognitive Assessment Software for Depression

The Quantitative Cognitive Assessment Software for Depression is the first medical device product in China designed to assess the cognitive abilities of patients with depression. We plan to complete the clinical trial study in the third quarter of 2025 and conduct data statistics and analysis. We will formally submit the registration application to the Beijing Municipal Medical Products Administration in the fourth quarter of 2025 and anticipate commercialization in 2026.

Depression Treatment Software

We are currently under preclinical development of the depression treatment software, called "Mind Island Aurora", which is a computerized system utilizing a combination of game-playing and Computerized Cognitive Behavioral Therapy to alleviate symptoms associated with depression. We expect to initiate clinical trial in the first quarter of 2026.

Cognitive Impairment Assessment Software and Cognitive Impairment Treatment Software

In order to expand our international footprint and build global influence, we are developing the following products for the U.S. and the EU: Cognitive Impairment Assessment Software and Cognitive Impairment Treatment Software. On July 22, 2022, we obtained the CE mark in the EU for our Cognitive Impairment Treatment Software, which is exempted from clinical trial requirements under EU's Medical Device Regulation and allows for its commercialization in the EU that is expected to commence in 2026. We are also developing our Cognitive Impairment Treatment Software and Cognitive Impairment Assessment Software in the U.S. in preparation for regulatory filings under Section 510(k).

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET OUR OTHER KEY PRODUCTS AND PRODUCT CANDIDATES SUCCESSFULLY.

III. RESEARCH AND DEVELOPMENT CAPABILITY

We believe that our continued research and development ("**R&D**") is the key driver of our business growth and competitiveness.

A. R&D Team

We have a strong multi-disciplinary in-house R&D team of 128 professionals with 29 holding a master's degree and three holding PhDs as of the date of this report. Our key R&D staff have on average over six years of relevant experience in the DTx industry. Our R&D team frequently participates in academic and industry conferences and engages with industry and clinical experts to bring us up-to-date insights and innovations from a global perspective. Our R&D team is divided into the following three groups: (i) Brain Research Institute, (ii) Product Innovation Center, and (iii) Technology Research Center. Externally, we have established long-term relationships with key opinion leaders, including well-known medical professional and clinical experts in China. Leveraging their insights and recommendations, we are able to focus our R&D process on unmet clinical needs and explore frontier and breakthrough technologies.

B. Product Design and Preclinical Development

We have established and strictly followed an internal protocol that governs the design and development of our products. Our internal protocol was formulated based on applicable National Medical Products Administration of China (國家藥品監督管理局) regulations and ISO 13485. To start with a product development project, we conduct market research to analyze market prospects and patient's need and formulate a development proposal that describes the target medical need, potential risks and specific product functions. After obtaining approvals from our management on the project, we will then formulate a detailed development plan, which includes the product functionalities and applications, labor and budget planning and begin the development process.

MANAGEMENT DISCUSSION AND ANALYSIS

C. Clinical Development

Our clinical affairs department has significant experience in conducting clinical trials for our products. As of the date of this report, we had organized a dedicated regulatory and clinical affairs department consisting of seven members, with extensive experience in medical device industry. We also set up a separate regulatory affairs team in charge of regulatory communications. Our regulatory affairs team is mainly responsible for sorting and reviewing registration materials of our products, as well as submitting such materials to the relevant government agencies. We conduct clinical trials of new indications and products in order to obtain the requisite regulatory approvals and collect access-controlled data that can improve the design and features of our products. The goal of a clinical trial is to measure the clinical safety and efficacy of a device. Primary parameters for clinical trials are selected based on the intended use of the medical device.

FUTURE DEVELOPMENT AND OUTLOOK

We plan to execute the following strategies to achieve our mission and drive our future growth: (i) continue indication expansion of the System and development of other product candidates to further solidify our position in China's cognitive impairment DTx market, (ii) accelerate commercialization of the System and other products and enhance market penetration, (iii) further improve our research and development capabilities, (iv) expand our international footprint and build global influence and (v) strategically seek merger and acquisition opportunities.

IV. FINANCIAL REVIEW

Overview

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

Revenue

Our revenue increased by RMB48.16 million from RMB51.89 million for the six months ended June 30, 2024 to RMB100.05 million for the six months ended June 30, 2025, representing a year-on-year increase of 92.81%.

We generate revenue from (i) provision of the System integral software solutions in hospitals; (ii) provision of the System integral software solutions out of hospitals to individual patients; (iii) provision of research projects services to research institutions; (iv) sales of medical AI large language model solutions; and (v) others, such as sales of hardware embedded with the System and the related user accounts. The increase in our revenue was primarily due to (i) an increase in the number of hospitals that purchased the System from 186 in 2024 to 205 for the six months ended June 30, 2025; (ii) an increase in the number of times patients used our System from approximately 1,800,000 times in 2024 to 2,595,554 times for the six months ended June 30, 2025; and (iii) a significant increase in the number of patients from approximately 7,397 to 12,915 for the six months ended June 30, 2025 over the same periods who selected our System for use in their own homes after initially using the System in hospitals.

MANAGEMENT DISCUSSION AND ANALYSIS

Cost of Sales

Our cost of sales increased from RMB27.37 million for the six months ended June 30, 2024 to RMB59.20 million for the six months ended June 30, 2025, representing an increase of 116.30%. The increase in our cost of sales was primarily due to (i) an RMB12.85 million increase in operational costs, incurred by third-party service providers that provide operational support in cognitive centers on our behalf; (ii) an increase in the number of cognitive centers from which we incurred construction costs from 107 in 2024 to 138 for the six months ended June 30, 2025, which led to an increase in construction and depreciation costs; and (iii) the hardware equipment procurement cost of RMB23.01 million for the newly added medical AI large language model solutions business in the first half of the year.

Gross Profit

Our gross profit increased from RMB24.52 million for the six months ended June 30, 2024 to RMB40.85 million for the six months ended June 30, 2025, representing an increase of 66.60%. The increase in our gross profit was primarily due to the significant increase in sales volume of the System and the increase in the number of hospitals and patients that used our System.

Other Income

Our other income primarily consists of (i) interest income on bank balances, term deposits and restricted bank deposit; (ii) interest income from rental deposits; (iii) government grants related to R&D activities; and (iv) others.

Our other income increased from RMB0.58 million for the six months ended June 30, 2024 to RMB7.28 million for the six months ended June 30, 2025, representing an increase of 1,155.17%. The increase in our other income was mainly attributable to the receipt of proceeds from the listing in 2025, which resulted in the change in average balance as compared to 2024, leading to the increase in interest income on bank balances and restricted bank deposit of RMB5.94 million.

Other Expenses and Other Gains and Losses, Net

Our other expenses and other gains and losses, net primarily relates to fair value gains on financial assets at FVTPL. Our other expenses and other gains and losses, net decrease from RMB2.14 million for the six months ended June 30, 2024 to RMB(4.42) million for the six months ended June 30, 2025, representing a decrease of 306.54%. The decrease in our other expenses and other gains and losses, net was primarily attributable to an increase of RMB3.26 million in loss on early repayment of long-term bonds in 2025 and an increase of RMB1.26 million in net foreign exchange loss.

Fair Value Changes of Financial Liabilities at FVTPL

Our fair value changes of financial liabilities at FVTPL primarily relates to fair value changes of our redeemable preference shares. Our fair value changes of financial liabilities at FVTPL changed from loss of RMB0.24 million for the six months ended June 30, 2024 to nil for the six months ended June 30, 2025, representing a 100% decrease. The decrease in our loss on fair value changes of financial liabilities at FVTPL was primarily attributable to the automatic conversion of redeemable preference shares into ordinary shares upon listing, which no longer involved such changes.

MANAGEMENT DISCUSSION AND ANALYSIS

Selling and Distribution Expenses

Our selling and distribution expenses primarily consist of (i) market development and service expenses; (ii) employee benefits expenses; (iii) depreciation and amortization expenses; (iv) share-based payments; and (v) others.

Our selling and distribution expenses increased from RMB25.38 million for the six months ended June 30, 2024 to RMB30.45 million for the six months ended June 30, 2025, representing an increase of 19.98%. The increase in our selling and distribution expenses was primarily attributable to an increase in market development and service expenses driven by the increasing efforts to explore business cooperation opportunities in order to reach more hospitals and other customers and to enhance industry recognition and awareness of our products.

Administrative Expenses

Our administrative expenses primarily consist of (i) employee benefit expenses for our administrative staff; (ii) restructuring related expenses; (iii) depreciation and amortization expenses; (iv) professional service expenses; (v) utilities and office expenses; (vi) share-based payments; and (vii) others.

Our administrative expenses increased from RMB28.14 million for the six months ended June 30, 2024 to RMB46.01 million for the six months ended June 30, 2025, representing an increase of 63.50%. The increase in our administrative expenses was primarily attributable to the facts that (i) service fee increased by RMB6.45 million as compared with the same period of last year, mainly due to other expenses related to listing activities that were not included in listing expenses; (ii) rental and property costs increased by RMB3.46 million as compared with the same period of last year; and (iii) share-based payments increased by RMB1.63 million during the Reporting Period mainly attributable to the continuing amortisation of the granted share-based payments.

R&D Expenses

Our R&D expenses primarily consist of (i) staff remuneration; (ii) share-based payments; (iii) depreciation and amortization; and (iv) technical service fee engaging external organization for development.

Our R&D expenses increased from RMB64.23 million for the six months ended June 30, 2024 to RMB68.15 million for the six months ended June 30, 2025, representing an increase of 6.10%. The increase in our R&D expenses was primarily due to the facts that (i) higher staff remuneration led to an increase of RMB2.23 million in R&D expenses; (ii) share-based payments increased by RMB1.20 million during the Reporting Period mainly attributable to the continuing amortisation of the granted share-based payments; (iii) other piecemeal procurement and reimbursement increased by RMB0.41 million as compared with last year, representing an increase of 4.17%; and (iv) service fee and cloud service fee increased by RMB2.25 million as compared with last year, representing an increase of 49.40%. Among them, the cloud service fee included service fee for cloud service providers and other service fee, and increased by RMB0.84 million during the Reporting Period.

MANAGEMENT DISCUSSION AND ANALYSIS

The following table sets forth a breakdown of our R&D expenses for the periods indicated:

	For the six months ended June 30,			
	2025		2024	
	RMB'000	%	RMB'000	%
Employee benefit expenses	30,640	45.0%	28,407	44.2%
Depreciation and amortization expenses	3,668	5.4%	5,449	8.5%
Collaboration expense(1)	914	1.3%	1,300	2.0%
Service expense	6,805	10.0%	4,555	7.1%
Procurement expenses	10,132	14.9%	9,726	15.2%
Share-based payments	15,990	23.4%	14,794	23.0%
Total	68,149	100%	64,231	100%

Note:

(1) Collaboration expenses represent sub-contracting costs in relation to clinical trials included in R&D expenses.

Finance Costs

Our finance costs primarily consist of (i) interest expense on long-term bond; (ii) interest on bank borrowings; and (iii) interest on lease liabilities.

Our finance costs increased from RMB10.90 million for the six months ended June 30, 2024 to RMB11.98 million for the six months ended June 30, 2025, representing an increase of 9.82%. The increase in our finance costs was primarily due to the increase in interest on bank borrowings and long-term bond.

Loss for the period

As a result of the above, we recorded a loss of RMB126.88 million for the six months ended June 30, 2025, as compared to a loss of RMB114.39 million for the six months ended June 30, 2024.

Capital Management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximize value to our shareholders (the "**Shareholders**").

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may return capital to the Shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the six months ended June 30, 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Liquidity and Capital Resources

The Group primarily relied on capital contribution from the Shareholders, issuance of redeemable preference shares and long-term bonds as major sources of liquidity. The Group has always adopted a prudent treasury management policy. The Group places strong emphasis on having funds readily available and accessible and is in a stable liquidity position with sufficient funds in standby banking facilities to cope with daily operations and meet its future development demands for capital.

As of June 30, 2025, the current assets of the Group were RMB670.14 million, of which cash and cash equivalents amounted to RMB287.92 million, which were primarily held in RMB, and other current assets amounted to RMB382.22 million. The Group's cash and cash equivalents increased from RMB279.86 million for the six months ended June 30, 2024 to RMB287.92 million for the six months ended June 30, 2025, representing an increase of 2.88%. The increase in cash and cash equivalents was mainly due to the Company receiving the proceeds from its listing.

As of June 30, 2025, the current liabilities of the Group were RMB275.33 million, including trade and other payables of RMB34.47 million, contract liabilities of RMB13.61 million, bank and other borrowings of RMB143.10 million, long-term bond due within one year of RMB74.34 million and lease liabilities of RMB7.22 million.

Borrowings

As of June 30, 2025, the Group had outstanding borrowings of approximately RMB143.10 million (June 30, 2024: RMB16.13 million) which were denominated in RMB and bearing interest at fixed interest rates ranging from 2.08% to 3.40% per annum.

Charges on Group Assets

As of June 30, 2025, there were no charges on assets of the Company (June 30, 2024: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Key Financial Ratios

The following table sets forth the key financial ratios of our Group for the dates indicated:

	For the six months ended June 30,	
	2025	2024
Gross margin	**40.8%**	47.3%
Current ratio[(1)]	**2.4**	0.7
Average trade payables turnover days[(2)]	**15.8**	52.3
Average trade receivables turnover days[(3)]	**218.2**	227.2

Notes:

(1) Current ratio equals current assets divided by current liabilities as of the end of the year.

(2) Trade payable turnover days for a period equals the arithmetic mean of the beginning and ending trade payables balances divided by cost of sales for that period and multiplied by the number of days in that period.

(3) Trade receivable turnover days for a period equals the arithmetic mean of the beginning and ending trade receivable balances divided by revenue for that period and multiplied by the number of days in that period.

Contingent Liabilities

The Group did not have any material contingent liabilities as of June 30, 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Capital Expenditure and Commitments

Our capital expenditure primarily consisted of (i) additions of property, plant and equipment; (ii) additions of right-of-use assets; and (iii) additions of intangible assets. Our capital expenditure for the six months ended June 30, 2025 was RMB21.55 million, compared to RMB10.27 million for the six months ended June 30, 2024. The increase was primarily due to (i) capital expenditures related to purchase of property, plant, and equipment decreased by RMB3.16 million as compared with last period; (ii) capital expenditures related to purchase of right-of-use assets increased by RMB5.27 million as a result of the increased demand for lease of office building; and (iii) capital expenditures related to purchase of intangible assets increased by RMB9.17 million as compared with last period. As of June 30, 2025, we had capital commitments of RMB0.51 million, primarily in connection with expenditures in respect of the acquisition of equipment and machineries and renovation of leasehold properties.

Foreign Currency Risk

As at June 30, 2025, the Group mainly operated in China and a majority of its transactions were settled in RMB, the functional currency of the Company's primary subsidiaries.

A portion of the Group's transactions were dominated in RMB, Hong Kong dollars, US dollars. Except for certain cash and cash equivalents, other receivables, payables, other payables and accruals denominated in foreign currencies, the Group did not have significant foreign exchange risk exposure from its operations during the Reporting Period. We currently do not have a foreign currency hedging policy. However, our management continuously monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Non-IFRS Measures

To supplement our consolidated statements of profit or loss and other comprehensive income, which are presented in accordance with IFRS, we also use adjusted net loss (non-IFRS measure) as an additional financial measure, which is not required by, or presented in accordance with, IFRS. We believe this non-IFRS measure facilitates comparisons of operating performance from period to period and company to company by eliminating potential impacts of certain items. We believe this measure provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management in assessing our results of operations. The fair value loss of financial liabilities at FVTPL is adjusted because it will cease upon the completion of this Global Offering; share-based payments are adjusted because they are non-cash in nature. However, our non-IFRS measure does not have a standardized meaning prescribed by IFRS, and our adjusted net loss (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of this non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for an analysis of, our results of operations or financial condition as reported under IFRS.

We define adjusted net loss (non-IFRS measure) as loss and total comprehensive expense for the period adjusted by adding back fair value loss of financial liabilities at FVTPL and share-based payments, both being non-cash in nature.

MANAGEMENT DISCUSSION AND ANALYSIS

The following table reconciles adjusted net loss (non-IFRS measure) for the periods indicated to the nearest financial measure calculated and presented in accordance with IFRS, which is loss and total comprehensive expense for the period:

	For the six months ended June 30	
	2025	2024
	RMB'000	RMB'000
Reconciliation of loss and total comprehensive expense for the period to adjusted net loss (non-IFRS measure)		
Loss and total comprehensive expense for the period	**(126,881)**	(114,389)
Add:		
Fair value loss of financial liabilities at FVTPL	**–**	243
Share-based payments	**38,859**	35,304
Adjusted net loss (non-IFRS measure)	**(88,022)**	(78,842)

Employees and Remuneration Policy

As of June 30, 2025, we had 174 employees in total, and all our employees were based in Mainland China. The following table sets forth the number of our employees categorized by function as of June 30, 2025 and June 30, 2024.

	Number of employees as of June 30, 2025	Number of employees as of June 30, 2024
Management and Administrative	**31**	23
R&D	**128**	156
Marketing	**14**	17
Total	**173**	196

The total remuneration cost incurred by the Group was RMB81.65 million for the six months ended June 30, 2025, and RMB71.78 million for the six months ended June 30, 2024. The increase in remuneration cost was primarily attributable to an increase in monthly wages of staff.

Our employees' remuneration consists of salaries, bonuses, employees' provident fund and social security contributions and other welfare payments. In accordance with applicable Chinese laws, we have made contributions to social security insurance funds (including pension plan, unemployment insurance, work-related injury insurance, medical insurance and maternity insurance), supplemental medical insurance and housing funds for our employees.

MANAGEMENT DISCUSSION AND ANALYSIS

To maintain our workforce's quality, knowledge, and skill levels, we are committed to continuously enhancing our team's technical expertise, continuing education, project management capabilities and service quality with a comprehensive training system, including periodic technical training and regular sharing of industry insight to accelerate the learning progress and improve the knowledge and skill levels of our workforce. We also conduct training for our employees to abide by our anti-bribery and anti-corruption compliance requirements and applicable laws and regulations to eliminate bribery and corruption risks.

Furthermore, we provide various incentives and benefits to our employees, including competitive salaries, bonuses and share-based payment, particularly our key employees. The Company has adopted a share award scheme on July 30, 2023. For further details, please refer to the section headed "Pre-IPO Share Award Scheme" in Appendix IV to the prospectus of the Company dated December 30, 2024 (the "**Prospectus**").

OTHER INFORMATION

Compliance with the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code")

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules as its own code of conduct regarding dealings in the securities of the Company by the Directors and the Company's senior management who, because of his/her office or employment, is likely to possess inside information in relation to the Company or its securities.

Upon specific enquiry, all Directors confirmed that they have complied with the Model Code during the period from the Listing Date, being January 8, 2025, to June 30, 2025. In addition, the Company is not aware of any non-compliance of the Model Code by the employees of the Company who are likely to be in possession of inside information of the Company during the period from the Listing Date, being January 8, 2025, to June 30, 2025.

Purchase, Sale or Redemption of the Company's Listed Securities

Neither the Company nor any of its subsidiaries have purchased, redeemed or sold any of the Company's listed securities (including sale of treasury shares) since the Listing Date, being January 8, 2025, and up to June 30, 2025. As at June 30, 2025, the Company did not hold any treasury shares.

Material Litigation

The Company was not involved in any material litigation or arbitration during the six months ended June 30, 2025, which could have a material and adverse effect on our financial condition or results of operations. The Directors are also not aware of any material litigation or claims that are pending or threatened against the Company since the Listing Date, being January 8, 2025, and up to the date of this report which could have a material and adverse effect on our financial condition or results of operations.

MANAGEMENT DISCUSSION AND ANALYSIS

Audit Committee and Auditor

The Audit Committee has three members comprising three independent non-executive Directors, being Mr. Lam Yiu Por (林曉波) (chairman of the Audit Committee with the appropriate professional qualifications), Mr. Li Yuezhong (李月中) and Dr. Duan Tao (段濤), with terms of reference in compliance with the Listing Rules.

The Audit Committee has considered and reviewed the interim financial results and interim report for the six months ended June 30, 2025, the accounting principles and practices adopted by the Company and the Group and discussed matters in relation to internal control, risk management and financial reporting with the management. There is no disagreement between the Board and the Audit Committee regarding the accounting treatment adopted by the Company. The Audit Committee considers that the interim financial results and interim report 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 Audit Committee has met with the independent auditor of the Company, Deloitte Touche Tohmatsu, and has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control and financial reporting.

CHARGE ON ASSETS

As of June 30, 2025, there was no charge on assets of our Group (June 30, 2024: nil).

CAPITAL EXPENDITURES AND CAPITAL COMMITMENTS

We make capital expenditures to expand our operations, upgrade our property, plant and equipment and facilities, and increase our operating efficiency. We expect to incur capital expenditures primarily in relation to, among others, purchase of property, plant and equipment. We expect to finance such capital expenditures through a combination of operating cash flows, net proceeds from the Global Offering and bank and other borrowings. We also made capital commitment primarily in connection with expenditures in respect of the acquisition of equipment and machineries and leasehold improvements. Details of our capital commitments are set out in Note 25 to the financial statements.

TREASURY POLICY

Our management performs the treasury functions and continues to monitor our cash requirements from time to time. If our cash requirements exceed the liquidity we hold at the time, our Company may seek credit facilities and external borrowings or issue securities as it considers necessary and appropriate.

MANAGEMENT DISCUSSION AND ANALYSIS

SIGNIFICANT INVESTMENTS AND MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Subscription of Wealth Management Product

On March 31, 2025, April 2, 2025, and April 3, 2025, respectively, the Company, together with the HK Subsidiary, subscribed for the SPDBI US Dollar Money Market Fund (the "**Wealth Management Product**", issued by SPDB International Investment Management Limited, the investment scope of which does not include equity securities) for an aggregate principal amount of US$30 million (the "**Subscriptions**"). The Wealth Management Product is a non-principal-guaranteed, open-ended money market fund with floating returns and no fixed term, and with moderately low risk.

On May 13, 2025, the HK Subsidiary redeemed US$15 million of the principal amount of the Wealth Management Product. As such, US$15 million of the principal amount of the Wealth Management Product remained outstanding as at June 30, 2025 and, together with the fair value gains on financial assets at FVTPL of approximately RMB1,012,000 in connection with the Wealth Management Product, translated to the financial assets at FVTPL in the amount of approximately RMB109 million. As of the date of this report, all of the principal amounts of the Wealth Management Product had been redeemed. The Company expects to further publish an announcement detailing the Subscriptions in due course separately.

Saved as disclosed above, as at June 30, 2025, we did not hold any significant investments. For the Reporting Period, we did not have material acquisitions or disposals of subsidiaries, associates and joint ventures.

FINANCIAL RATIOS

As at June 30, 2025, our gearing ratio, calculated as total borrowings divided by total equity attributable to equity holders of the Company, was 58.03% (June 30, 2024: not applicable).

V. PRINCIPAL RISKS AND UNCERTAINTIES

The following list is a summary of certain principal risks and uncertainties facing the Group, some of which are beyond its control.

- If we are unable to successfully complete clinical development, obtain regulatory approval and commercialize our product candidates, or experience significant delays in doing so, our business and financial prospects will be materially adversely affected.

- If we are not able to develop and release new products that are competitive in the market, or develop successful enhancements or indication expansions of our System or any future products in a timely manner our products may become obsolete and our business, operating results and financial condition could be materially adversely affected.

- Clinical development is a lengthy, expensive and uncertain process, and unsuccessful clinical trials or procedures relating to products and indications under development could have a material adverse effect on our prospects.

- Our algorithms and methodologies are complex and may contain errors or may not operate properly, which could adversely affect our business, financial condition and results of operations.

MANAGEMENT DISCUSSION AND ANALYSIS

- Some of our current and future products may be classified or reclassified as Class III medical devices under relevant PRC laws and regulations.

- If we are unable to develop and successfully maintain adequate sales and commercial distribution capabilities, our business and results of operations could be adversely affected. If we are unable to maintain and expand our relationships with qualified third-party service providers, or to attract, motivate and retain a sufficient number of qualified personnel to support our selling and distribution efforts, sales volumes or margin of our System and other products may be adversely affected and we may be unable to extend our market coverage and deepen our market penetration as contemplated.

- There is also no assurance that we will be able to maintain our sales, which may be adversely affected by many factors outside of our control.

- Increasingly stringent regulatory requirements could create barriers to our development and introduction of new products.

- You may lose substantially all your investments in us given the high risks and uncertainties associated with our business operations and the cognitive impairment DTx industry.

- Our relationships with customers will be subject to applicable anti-bribery, anti-kickback, fraud and abuse and other healthcare laws and regulations, which could expose us to criminal sanctions, civil penalties, exclusion from government healthcare programs, contractual damages, reputational harm and diminished profits and future earnings.

However, the above is not an exhaustive list. Investors are advised to make their own judgment or consult their own investment advisors before making any investment in the Shares. For further details, please refer to the section headed "Risk Factors" in the Prospectus.

CORPORATE GOVERNANCE AND OTHER INFORMATION

CHANGES IN DIRECTORS' INFORMATION

The change in information of Directors since the publication of the Company's 2024 annual report is as follows:

– Mr. Li Sirui, a non-executive Director, was appointed as a non-executive director of Shouhui Group Limited, a company listed on the Stock Exchange (stock code: 02621), on January 9, 2025.

Save as disclosed above, there was no change in the Directors' information since the publication of the Company's 2024 annual report up to the date of this report which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS

As at June 30, 2025, the interests or short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein; or (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Interest in our Company

Name of Director	Capacity/Nature of interest	Number of Shares held[5]	Approximate percentage of shareholding[6]
Mr. Tan[1]	Interest in controlled corporation	275,468,000(L)	21.75%
	Interest held through voting powers entrusted by other persons	99,104,000(L)	7.83%
	Beneficial owner	27,129,000(L)	2.14%
		401,701,000(L)	31.72%
Mr. Deng Feng[2]	Interest in controlled corporation	126,854,000(L)	10.02%
Ms. Li Mingqiu[3]	Interest in controlled corporation	123,527,000(L)	9.76%

Notes:

(1) Mr. Tan is interested in (i) 275,468,000 Shares held by ZTan Limited, his controlled corporation, and (ii) a total of 99,104,000 Shares held by Healthblooming Limited through voting powers entrusted by Healthblooming Limited.

Mr. Tan was granted 27,129,000 Awarded Shares under the Pre-IPO Share Award Scheme.

(2) Mr. Deng Feng is interested in 126,854,000 Shares held by Northern Light Strategic Fund IV L.P., Northern Light Venture Fund IV L.P. and Northern Light Partners Fund IV L.P.

(3) Ms. Li Mingqiu is interested in 123,527,000 Shares held by Crusky Limited.

(4) The letter "L" denotes the person's long position in the Shares.

(5) As at June 30, 2025, the Company has a total of 1,266,278,000 Shares in issue.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Interest in associated corporations

Name of Director	Nature of interest	Associated corporations	Amount of registered capital/shares held	Approximate percentage of interest in the associated corporation
Mr. Tan	Beneficial owner	Beijing Yihui Technology Co. Ltd. (北京益慧科技有限公司) ("**Beijing Yihui**")	RMB385,936 registered capital	0.76%
Ms. Li Mingqiu[(1)]	Interest in controlled corporation	Beijing Yihui	RMB161,653 registered capital	0.32%

Note:

(1) Tianjin Tianjian Medical Technology Co. Ltd. (天津天鍵醫療科技有限公司) ("**Tianjin Tianjian**") is wholly owned by Ms. Li Mingqiu. Therefore, Ms. Li Mingqiu is deemed to be interested in RMB161,653 registered capital of Beijing Yihui held by Tianjin Tianjian.

Save as disclosed in this interim report and to the best knowledge of the Directors, as at June 30, 2025, none of the Directors or the chief executive of the Company has any interests and/or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

CORPORATE GOVERNANCE AND OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at June 30, 2025, the following persons (other than the Directors and chief executives whose interests have been disclosed in this report), had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Interest in our Company

Name of Substantial Shareholder	Capacity/Nature of interest	Number of Shares held[1]	Approximate percentage of shareholding[2]
ZTan Limited[3]	Beneficial owner[3]	275,468,000(L)	21.75%
Mr. Tan[3][4][5]	Interest in controlled corporation[3]	275,468,000(L)	21.75%
	Interest held through voting powers entrusted by other persons[4]	99,104,000(L)	7.83%
	Beneficial owner[5]	27,129,000(L)	2.14%
		401,701,000(L)	31.72%
Wispirits Limited[6]	Beneficial owner[6]	109,052,000(L)	8.61%
Dr. Wang[6][7]	Interest in controlled corporation[6]	183,955,000(L)	14.53%
	Beneficial owner[7]	26,946,000(L)	2.13%
		210,901,000(L)	16.66%
Northern Light Venture Fund IV L.P. ("**NLVF**")[8]	Beneficial owner[8]	115,729,000(L)	9.14%
Northern Light Partners IV L.P. ("**NL Partners**")[8]	Interest in controlled corporation[8]	126,854,000(L)	10.02%
Northern Light Venture Capital IV, Ltd.[8]	Interest in controlled corporation[8]	126,854,000(L)	10.02%
Mr. Deng Feng[8]	Interest in controlled corporation[8]	126,854,000(L)	10.02%
Crusky Limited[9]	Beneficial owner[9]	123,527,000(L)	9.76%
Ms. Li Mingqiu (李明秋)[9]	Interest in controlled corporation[9]	123,527,000(L)	9.76%
Healthblooming Limited[10]	Beneficial owner[10]	99,104,000(L)	7.83%
Mr. Zhao Yujie (趙宇傑) ("**Mr. Zhao**")[10]	Interest in controlled corporation[10]	99,104,000(L)	7.83%
Wisdomspirit Holding Limited[11]	Beneficial owner[11]	85,166,000(L)	6.73%
Trident Trust Company (HK) Limited ("**Trident**")[11]	Interest in controlled corporation[11]	85,166,000(L)	6.73%

CORPORATE GOVERNANCE AND OTHER INFORMATION

Name of Substantial Shareholder	Capacity/Nature of interest	Number of Shares held[1]	Approximate percentage of shareholding[2]
Suzhou Ceyuan Fuhai Enterprise Management Partnership (Limited Partnership)* (蘇州策源扶海企業管理合夥企業(有限合夥)) ("**Suzhou Ceyuan**")[12]	Beneficial owner[12]	70,525,000(L)	5.57%
Youchan Equity Investment Fund Partnership (Limited Partnership)* (成都高新策源優產股權投資基金合夥企業(有限合夥)) ("**Orinno Investment**")[12]	Interest in controlled corporation[12]	70,525,000(L)	5.57%
Chengdu High-tech Jicui Technology Co., Limited* (成都高新集萃科技有限公司) ("**Chengdu High-tech Jicui**")[12]	Interest in controlled corporation[12]	70,525,000(L)	5.57%
Chengdu High-tech Investment Group Co., Ltd.* (成都高新投資集團有限公司) ("**Chengdu High-tech Investment**")[12]	Interest in controlled corporation[12]	70,525,000(L)	5.57%
Chengdu High-tech Industrial Development Zone Finance Bureau* (成都高新技術產業開發區國資金融局) ("**Chengdu High-tech Industrial**")[12]	Interest in controlled corporation[12]	70,525,000(L)	5.57%
CFCH[13]	Beneficial owner[13]	70,143,000(L)	5.54%
Mr. Lv Yajun (呂亞軍)[13] ("**Mr. Lv**")	Interest in controlled corporation[13]	70,143,000(L)	5.54%

Notes:

(1) The letter "L" denotes the person's long position in the Shares.

(2) As at June 30, 2025, the Company has a total of 1,266,278,000 Shares in issue.

(3) ZTan Limited was wholly owned by Mr. Tan. Therefore, Mr. Tan is deemed to be interested in the Shares held by ZTan Limited under the SFO.

CORPORATE GOVERNANCE AND OTHER INFORMATION

(4) Pursuant to the Voting Proxy Agreement, Mr. Tan is entitled to exercise the voting rights of the Shares held by Healthblooming Limited. Therefore, Mr. Tan is deemed to be interested in the Shares held by Healthblooming Limited under the SFO.

(5) Mr. Tan was granted Awards to acquire 27,129,000 Shares under the Pre-IPO Share Award Scheme.

(6) Wispirits Limited was wholly owned by Dr. Wang. Therefore, Dr. Wang is deemed to be interested in the Shares held by Wispirits Limited under the SFO.

Each of the shareholders of Wiseforward Limited entered into proxy arrangement with Dr. Wang respectively, to allow Dr. Wang to have control over the entire voting power thereof, and as such Wiseforward Limited is a controlled corporation of Dr. Wang. Therefore, Dr. Wang is deemed to be interested in all the interests of Wiseforward Limited in our Company under the SFO.

Neurobright Limited was owned as to approximately by 32.82% by Dr. Wang, and each of the shareholders of Neurobright Limited entered into proxy arrangement with Dr. Wang respectively, to allow Dr. Wang to have control over the entire voting power thereof, and as such Neurobright Limited is a controlled corporation of Dr. Wang. Therefore, Dr. Wang is deemed to be interested in all the interests of Neurobright Limited in our Company under the SFO.

(7) Dr. Wang was granted Awards to acquire 26,946,000 Shares under the Pre-IPO Share Award Scheme.

(8) Each of Northern Light Strategic Fund IV L.P. ("**NLSF**"), NLVF and Northern Light Partners Fund IV L.P. ("**NLPF**") is an exempted limited partnership established in the Cayman Islands, whose general partner is NL Partners. NL Partners is an exempted limited partnership established in the Cayman Islands, whose general partner is Northern Light Venture Capital IV, Ltd., a company controlled by Mr. Deng Feng, our non-executive Director. Therefore, each of NL Partners, Northern Light Venture Capital IV, Ltd. and Mr. Deng Feng is deemed to be interested in the Shares held by NLSF, NLVF and NLPF.

(9) Crusky Limited was wholly owned by Ms. Li Mingqiu. Therefore, Ms. Li Mingqiu is deemed to be interested in the Shares held by Crusky Limited under the SFO.

(10) Healthblooming Limited was owned as to approximately by 39.96% by Mr. Zhao. No other shareholder of Healthblooming Limited held one-third or more of the voting power therein. Therefore, Mr. Zhao is deemed to be interested in the Shares held by Healthblooming Limited under the SFO.

(11) Wisdomspirit Holding Limited is a company wholly owned by Trident, the trustee of the trust set up by the Company to facilitate the administration of the Pre-IPO Share Award Scheme, of which the Company is the settlor. Therefore, Trident is deemed to be interested in the Shares held by Wisdomspirit Holding Limited under the SFO.

(12) Suzhou Ceyuan will hold 5.57% in the Company. Orinno Investment is the sole limited partner which controls Suzhou Ceyuan, owning 99.99995% therein. Orinno Investment is in turn owned as to (i) 50% by Chengdu High-tech Jicui as a limited partner, a wholly-owned subsidiary of Chengdu High-tech Industrial, and (ii) 44% by Chengdu High-tech Investment as a limited partner, which is in turn owned as to 90% by Chengdu High-tech Industrial. Therefore, each of Orinno Investment, Chengdu High-tech Jicui, Chengdu High-tech Industrial and Chengdu High-tech Investment is deemed to be interested in the Shares held by Suzhou Ceyuan.

(13) CFCH was wholly owned by Mr. Lv. Therefore, Mr. Lv is deemed to be interested in the Shares held by CFCH under the SFO.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Interest in Members of our Group

Name	Nature of Interest	Name of member of our Group	Amount of registered capital held (RMB)	Approximate percentage of interest in the member of our Group (%)
Shenyang Youyang Future Technology Co., Ltd. (瀋陽優陽未來科技有限公司)[1]	Beneficial owner	Brain Aurora Medical Technology (Liaoning) Co., Ltd. (腦動極光醫療科技(遼寧)有限公司) ("**BrainAurora Liaoning**")[1]	150,000	15%
Wang Ningning (王寧寧)[1]	Interest in controlled corporation	BrainAurora Liaoning[1]	150,000	15%
Zhang Zhiwei (張志偉)[2]	Beneficial owner	Brain Aurora Medical Technology (Shaanxi) Co., Ltd. ("**BrainAurora Shaanxi**") (腦動極光醫療科技(陝西)有限公司)[2]	200,000	20%
Beijing Ruian Enzhuo Biotechnology Co., Ltd. (北京瑞安恩卓生物科技有限公司)[3]	Beneficial owner	Beijing Wanxiang Aurora Technology Co., Ltd. (北京萬相極光科技有限公司) ("**Wanxiang Aurora**")[3]	300,000	30%
Beijing Fanhai Wanxiang Technology Co., Ltd. (北京泛海萬象科技有限公司)[3]	Interest in controlled corporation	Wanxiang Aurora[3]	300,000	30%
Li Deming (李德名)[3]	Interest in controlled corporation	Wanxiang Aurora[3]	300,000	30%
Chengdu Kerui Dite Enterprise Management Co., Ltd. (成都克瑞帝特企業管理有限公司)[4]	Beneficial owner	Sichuan Huiyu Aurora Medical Technology Co., Ltd. (四川慧譽極光醫療科技有限公司) ("**Sichuan Huiyu**")[4]	200,000	20%
Cao Jiaxuan (曹家宣)[4]	Interest in controlled corporation	Sichuan Huiyu[4]	200,000	20%
Wang Xiumin (王秀敏)[4]	Interest in controlled corporation	Sichuan Huiyu[4]	200,000	20%
Beijing Anyi Huidong Medical Technology Co., Ltd. (北京安醫匯動醫學科技有限公司)[5]	Beneficial owner	Beijing Hongze Technology Development Co., Ltd. (北京浤澤科技發展有限公司) ("**Hongze Technology**") [5]	428,600	30%
Shoudu Huizhi Medical Technology Outcome Transformation Academy (首都匯智醫療科技成果轉化研究院)[5]	Interest in controlled corporation	Hongze Technology[5]	428,600	30%

CORPORATE GOVERNANCE AND OTHER INFORMATION

Notes:

(1) BrainAurora Liaoning is owned as to (i) 85% by Beijing Zhijingling, an indirectly wholly-owned subsidiary of the Company, and (ii) 15% by Shenyang Youyang Future Technology Co., Ltd. (瀋陽優陽未來科技有限公司), which is controlled by Wang Ningning (王寧寧). To the best knowledge of our Directors, each of Shenyang Youyang Future Technology Co., Ltd. and Wang Ningning is an Independent Third Party and not a connected person at the subsidiary level, taking into account that BrainAurora Liaoning is an insignificant subsidiary for the purpose of Rule 14A.09 of the Listing Rules.

(2) BrainAurora Shaanxi is owned as to (i) 80% by Beijing Zhijingling, an indirectly wholly-owned subsidiary of the Company, and (ii) 20% by Zhang Zhiwei (張志偉). To the best knowledge of our Directors, Zhang Zhiwei is an Independent Third Party, and not a connected person at the subsidiary level, taking into account that BrainAurora Shaanxi is an insignificant subsidiary for the purpose of Rule 14A.09 of the Listing Rules.

(3) Wanxiang Aurora is owned as to (i) 70% by Beijing Zhijingling, an indirectly wholly-owned subsidiary of the Company, and (ii) 30% by Beijing Ruian Enzhuo Biotechnology Co., Ltd. (北京瑞安恩卓生物科技有限公司), which is wholly owned by Beijing Fanhai Wanxiang Technology Co., Ltd. (北京泛海萬象科技有限公司), and thus in turn controlled by Li Deming (李德名). To the best knowledge of our Directors, each of Beijing Ruian Enzhuo Biotechnology Co., Ltd. and Li Deming is an Independent Third Party, and not a connected person at the subsidiary level, taking into account that Wanxiang Aurora is an insignificant subsidiary for the purpose of Rule 14A.09 of the Listing Rules.

(4) Sichuan Huiyu is a limited liability company established in the PRC on May 22, 2023. As at June 30, 2025, it is owned as to (i) 80% by Beijing Zhijingling, an indirectly wholly-owned subsidiary of the Company, and (ii) 20% by Chengdu Kerui Dite Enterprise Management Co., Ltd. (成都克瑞帝特企業管理有限公司), a company owned as to 50% and 50% by Cao Jiaxuan (曹家宣) and Wang Xiumin (王秀敏) respectively. To the best knowledge of our Directors, each of Chengdu Kerui Dite Enterprise Management Co., Ltd., Cao Jiaxuan and Wang Xiumin is an Independent Third Party, taking consideration that Sichuan Huiyu is an insignificant subsidiary for purpose of Rule 14A.09 of the Listing Rules.

(5) Hongze Technology is owned as to approximately (i) 70% by Beijing Zhijingling, an indirectly wholly-owned subsidiary of the Company, and (ii) 30% by Beijing Anyi Huidong Medical Technology Co., Ltd. (北京安醫匯動醫學科技有限公司), which is wholly owned by Shoudu Huizhi Medical Technology Outcome Transformation Academy (首都匯智醫療科技成果轉化研究院), a social institute under the authority of Beijing Municipal Health Commission, a PRC government body. To the best knowledge of our Directors, Shoudu Huizhi Medical Technology Outcome Transformation Academy and its ultimate beneficial owner is an Independent Third Party, and not a connected person at the subsidiary level, taking into account that Hongze Technology is an insignificant subsidiary for the purpose of Rule 14A.09 of the Listing Rules.

Save as disclosed above, as at June 30, 2025, no person, other than the Directors and chief executives whose interests are set out in the section headed "Directors' and Chief Executives' Interests and Short Positions in Shares and Underlying Shares and Debentures of the Company or any of its Associated Corporations" had an interest or short position in the Shares or underlying Shares which would fall to be recorded in the registry required to be kept by the Company pursuant to Section 336 of the SFO.

Purchase, Sale or Redemption of the Company's Listed Securities

Neither the Company nor any of its subsidiaries have purchased, redeemed or sold any of the Company's listed securities (including sale of treasury shares) during the period from the Listing Date, being January 8, 2025, to June 30, 2025. As at June 30, 2025, the Company did not hold any treasury shares.

CORPORATE GOVERNANCE AND OTHER INFORMATION

INCENTIVE PLANS ADOPTED BY THE COMPANY

Pre-IPO Share Award Scheme

The Pre-IPO Share Award Scheme was adopted by the Company and took effect on July 30, 2023 (the "**Adoption Date**"). The terms of the Pre-IPO Share Award Scheme are not subject to the provisions of Chapter 17 of the Listing Rules as it does not involve any grant of awards by our Company to subscribe for new Shares after the Listing. All Awarded Shares available for grant have been granted to specific individuals under the Pre-IPO Share Award Scheme, and no further grant will be made under the Pre-IPO Share Award Scheme after the Listing. All the Shares underlying the Awards granted under the Pre-IPO Share Award have been issued to Wisdomspirit Holding Limited to hold on behalf and for the benefit of the specified grantees thereunder. The following is a summary of the principal terms of the Pre-IPO Share Award.

(a) Purpose

The specific objectives of the Pre-IPO Share Award Scheme aims to (i) recognise and reward the contributions of certain eligible employees of the Group; and (ii) incentivize them for their future contribution to the continual operation and development of the Company.

(b) Eligibility

Any individual(s) being an employee (including without limitation any executive director) (other than any employee(s) who is resident in a place where the grant of the Awards and/or the vesting and transfer of the Awards pursuant to the terms of the Pre-IPO Share Award Scheme is not permitted under the laws or regulations of such place or where in the view of the Board, compliance with applicable laws or regulations in such place makes it necessary or expedient to exclude such employee (the "**Excluded Employee**")) of any member of the Group at any time during the trust period.

(c) Duration

Subject to any early termination as may be determined by the Board, the Pre-IPO Share Award Scheme shall be valid and effective for a term of ten (10) years commencing on the Adoption Date.

(d) Maximum Number of Shares

Under the Pre-IPO Share Award Scheme, the maximum number of Awards that may be granted under the Pre-IPO Share Award Scheme in aggregate (excluding the Awards that have lapsed or been cancelled in accordance with the rules of the Pre-IPO Share Award Scheme) shall be 85,166,000, held or to be held by Wisdomspirit Holding Limited (the "**HoldCo**") for the purpose of the Pre-IPO Share Award Scheme representing 6.73% of the total share capital of the Company as at the date of this interim report.

CORPORATE GOVERNANCE AND OTHER INFORMATION

(e) Administration

The Pre-IPO Share Award Scheme shall be subject to the administration of the Board in accordance with the rules of the Pre-IPO Share Award Scheme. The Board will make all determination in relation to the Pre-IPO Share Award Scheme. The Board may delegate the authority to administer this Pre-IPO Share Award Scheme to any committee thereof or any third party duly appointed thereby, including without limitation third party service providers and professional trustees (collectively, the "**Authorized Administrators**"). Any decision of the Board with respect to any matter arising under the Pre-IPO Share Award Scheme (including the interpretation of any provision) shall be final and binding on all parties.

(f) Price

Subject to the provisions of the Pre-IPO Share Award Scheme, the Board may, from time to time, at its absolute discretion select any employee (other than any Excluded Employee) for participation in the Pre-IPO Share Award Scheme as a selected employee (the "**Selected Employee**"), and grant such number of Awards to any Selected Employee at a consideration as the Board may determine from time to time and in such number and on and subject to such terms and conditions as it may in its absolute discretion determine.

(g) Vesting

Unless the Board determines otherwise, the Awards shall be vested according to the following schedule (the "**Vesting Schedule**"):

(i) 30% of such Awards shall be vested on the date of the first anniversary of the Listing;

(ii) 30% of such Awards shall be vested on the date of the second anniversary of the Listing; and

(iii) 40% of such Awards shall be vested on the date of the third anniversary of the Listing.

Upon the vesting of the Awards, (i) the Board may decide at its absolute discretion to send the Selected Employees (with a copy to the Trident Trust Company (HK) Limited (the "**Trustee**")), within a reasonable time, a vesting notice (the "**Vesting Notice**") together with such prescribed transfer documents which require the Selected Employee to execute to effect the vesting and transfer of the Awards and, if applicable, the cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of those the Shares underlying the Awards, as the case may be, subject to the Selected Employees paying all tax, stamp duty, levies and charges applicable to such transfer to the Trustee or as the Trustee directs and complying with all the applicable laws and regulations. The Selected Employees shall be responsible for conducting all necessary filings, registration or other administrative proceedings as required by applicable laws, rules or regulations, including but not limited to foreign exchange registration, for their obtaining of the Awards; (ii) upon receipt of the Vesting Notice, the Selected Employee (or his legal representative or lawful successor, as the case

CORPORATE GOVERNANCE AND OTHER INFORMATION

may be) is required to return to the Board the reply slip attached to the Vesting Notice to confirm the securities account details, together with the relevant duly signed transfer documents. In the event that the Board does not receive the reply slip and the transfer form from the Selected Employee within the period stipulated in the Vesting Notice, the Awards which would have otherwise vested in such Selected Employee shall be automatically forfeited and remain as part of the trust fund and be held by the Trustee or HoldCo. The Trustee may, under the Board's instructions re-allocate or procure the HoldCo to re-allocate such Shares underlying the Awards granted to other Selected Employees, or in case no other Selected Employees can be identified, reallocate such Shares underlying the Awards granted to any other person designated by the Company; and (iii) subject to the receipt by the Trustee of (a) the reply slip to the Vesting Notice and transfer documents prescribed by the Trustee and duly signed by the Selected Employee within the period stipulated in the Vesting Notice, (b) a confirmation from the Board that all vesting conditions having been fulfilled, and (c) certified copies of the identification documents of the Selected Employee and/or the special purpose vehicle wholly owned by the Employee(s) established for the purpose of holding the Awards (the "**SPV**") at least ten (10) business days prior to the Vesting Date, the Trustee shall or procure the HoldCo to transfer the relevant Awards to the relevant Selected Employee or the SPV as designated by the Selected Employee as soon as practicable on or after the Vesting Date and in any event not later than ten (10) business days after the Vesting Date.

The Board may at its discretion, with or without further conditions, grant additional Shares out of the trust fund (including but not limited to the cash or non-cash income, dividends or distributions and/or the cash income or net proceeds of sale of non-cash and non-scrip distribution) declared by the Company or derived from such Shares underlying the Awards granted during the period from the grant date to the Vesting Date to a Selected Employee upon the vesting of any Awards. In such case the Board shall deliver a grant notice to the Selected Employee and the Trustee specifying the number of additional Shares and cash amount to be granted to the Selected Employee. The Trustee shall or shall procure the HoldCo to transfer the specified number of additional Shares, together with the Shares underlying the Awards granted, to the Selected Employee or the SPV as designated by the Selected Employee on the Vesting Date.

The Board and/or the Authorised Administrator have absolute discretion in determining whether the vesting conditions applicable to a Selected Employee are satisfied. The vesting conditions include but not limited to: (i) the Selected Employee shall remain an employee of the Group on the relevant vesting dates; (ii) there shall be no occurrence of any triggering events for the surrender of the Awards; and (iii) the Selected Employee and his associate(s) shall not be employed by or operate or invest in any entity, during the period from the grant date to the relevant Vesting Dates, the business of which competes with the core business of the Group.

(h) Disqualification of Selected Employee

In the event that prior to or on the Vesting Date, a Selected Employee is found to be an Excluded Employee or is deemed to cease to be an Employee, the relevant grant made to such Selected Employee shall automatically lapse forthwith and the relevant Awards shall not vest on the relevant Vesting Date but shall remain part of the trust fund and be held by the Trustee or the HoldCo.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Unless the Board determines otherwise, the unvested Awards will be deemed to have been surrendered by a Selected Employee upon the occurrence of any of the following events: (i) termination of employment with or without any cause; (ii) unsatisfactory performance leading to demotion; (iii) failure to meet performance appraisal rating for the previous year according to the performance appraisal rating policy of the Company (as amended from time to time); (iv) no renewal of the employment contract upon the expiration; or (v) any other event to be determined by the Board.

(i) Voting Rights

A Selected Employee shall not have the voting rights or any interest or rights (including the right to receive dividends or other distributions) in respect of the Awards prior to the Vesting Date. The Trustee shall not exercise the voting rights in respect of any Shares held by it under the Trust.

All the Awards available for granting under the Pre-IPO Share Award Scheme have been granted before the Listing and there are no further awards available for grant pursuant to the Pre-IPO Share Award Scheme since the Listing. During the Reporting Period, details of the movements in the Awards granted under the Pre-IPO Share Award Scheme are as follows pursuant to Rule 17.12 of the Listing Rules.

			Number of Shares underlying the relevant Awards							
Name/Category of grantees	Number of outstanding Shares underlying the Awards granted as at January 1, 2025	Effect on the Share Subdivision and the global offering[2]	Granted during the Reporting Period	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding Awards as at June 30, 2025[2]	Date of grant	Vesting period	Approximate percentage in the issued Shares immediately
1. Directors, Chief executive or our Substantial Shareholders[1]										
Mr. Tan	27,129	27,101,871	–	–	–	–	27,129,000	July 31, 2023	Note (3)	2.14%
Dr. Wang	26,946	26,919,054	–	–	–	–	26,946,000	July 31, 2023	Note (3)	2.13%
Subtotal of Directors, Chief executive or our Substantial Shareholders	54,075	54,020,925	–	–	–	–	54,075,000			4.27%
2. Employees	29,896	29,866,104	–	–	–	–	29,896,000	July 31, 2023	Note (3)	2.36%
Total	**83,971**	**83,887,029**	**–**	**–**	**–**	**–**	**83,971,000**			**6.63%**

CORPORATE GOVERNANCE AND OTHER INFORMATION

Notes:

(1) Mr. Tan is our executive Director and one of our Substantial Shareholders. Dr. Wang is one of our Substantial Shareholders.

(2) After the Share Subdivision and the global offering, each such Share was split into 1,000 Shares.

(3) The Awarded Shares granted shall vest in the following manner:

  (i) 30% of such Awarded Shares shall be vested on the date of the first anniversary of the Listing;

  (ii) 30% of such Awarded Shares shall be vested on the date of the second anniversary of the Listing; and

  (iii) 40% of such Awarded Shares shall be vested on the date of the third anniversary of the Listing.

Use of Proceeds from the Global Offering

The total net proceeds from the issue of the Company's shares by the Company in its listing on the Stock Exchange amounted to approximately HK$501.3 million, after deducting the underwriting fees and expenses payable by the Company in connection with the global offering. There was no change in the intended use of net proceeds as previously disclosed in the Prospectus. The net proceeds from the global offering will be utilized in that same manner, proportion and the expected timeframe as set out in the Prospectus under the section headed "Future Plans and Use of Proceeds".

The following table sets forth a summary of the intended use of net proceeds and their expected timeframe of full utilization.

	Use of proceeds in the same manner and proportion as stated in the Prospectus *HK$ in million*	Net proceeds unutilized as of the Listing Date *HK$ in million*	Actual use of proceeds during the Reporting Period *HK$ in million*	Actual use of proceeds as at the end of the Reporting Period *HK$ in million*	Net proceeds unutilized as at the end of the Reporting Period *HK$ in million*	Expected timeframe for utilizing the remaining unutilized net proceeds
Approximately 40.0% of the net proceeds is expected to be used for conducting further R&D activities, advancing clinical trials for more indications, and advancing selling and distribution activities of our Core Product, the System;	200.5	200.5	80.8	80.8	119.7	Expected to be fully utilized by the end of 2027
Approximately 16.5% of the net proceeds is expected to be used for helping establish new cognitive centers for more hospitals across China through which hospitals can use our products to diagnose and treat patients with cognitive impairment and/or other disorders;	82.7	82.7	42.4	42.4	40.3	Expected to be fully utilized by the end of 2027

CORPORATE GOVERNANCE AND OTHER INFORMATION

	Use of proceeds in the same manner and proportion as stated in the Prospectus *HK$ in million*	Net proceeds unutilized as of the Listing Date *HK$ in million*	Actual use of proceeds during the Reporting Period *HK$ in million*	Actual use of proceeds as at the end of the Reporting Period *HK$ in million*	Net proceeds unutilized as at the end of the Reporting Period *HK$ in million*	Expected timeframe for utilizing the remaining unutilized net proceeds
Approximately 15.0% of the net proceeds is expected to be used for strengthening our capabilities in AI and related technologies;	75.2	75.2	20.0	20.0	55.2	Expected to be fully utilized by the end of 2026
Approximately 5.0% of the net proceeds is expected to be used for accelerating the research, development and commercialization of other product candidates in and beyond our current product pipeline;	25.1	25.1	3.6	3.6	21.5	Expected to be fully utilized by the end of 2026
Approximately 15.0% of the net proceeds is expected to be used for brain science and DTx research centers in collaboration with academic institutions and hospitals;	75.2	75.2	15.4	15.4	59.8	Expected to be fully utilized by the end of 2027
Approximately 8.5% of the net proceeds is expected to be used for our working capital and other general corporate purposes.	42.6	42.6	12.6	12.6	30.0	Expected to be fully utilized by the end of 2026
Total	**501.3**	**501.3**	**174.8**	**174.8**	**326.5**	

Interim dividend

The Board resolved not to declare any interim dividend for the Reporting Period.

Audit Committee

As at the date of this report, the Audit Committee has three members comprising Mr. Lam Yiu Por (林曉波) (chairman), Mr. Li Yuezhong (李月中) and Dr. Duan Tao (段濤), with terms of reference in compliance with the Listing Rules.

CORPORATE GOVERNANCE AND OTHER INFORMATION

The Audit Committee has reviewed and agreed with the accounting principles and practices adopted by the Group and has discussed matters in relation to internal controls and financial reporting with the management, including the review of the unaudited condensed consolidated interim financial results of the Group for the six months ended June 30, 2025. The Audit Committee 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.

Compliance with the Corporate Governance Code

The Company recognizes the importance of good corporate governance for enhancing the management of the Company as well as preserving the interests of the Shareholders as a whole. The Company has adopted and applied the principles and code provisions as set out in Part 2 of Corporate Governance Code contained in Appendix C1 to the Listing Rules.

Throughout the period from the Listing Date, being January 8, 2025, to June 30, 2025, the Company has complied with all the applicable code provisions as set out in the Corporate Governance Code. The Board will continue to review and monitor the code of corporate governance practices of the Company with an aim to maintaining a high standard of corporate governance.

Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules as its own code of conduct regarding dealings in the securities of the Company by the Directors. Specific enquiries have been made to all Directors and all of them have confirmed that they have complied with the Model Code throughout the period from the Listing Date, being January 8, 2025, to June 30, 2025.

The Company's employees, who are likely to be in possession of inside information of the Company, have also been subject to the Model Code for securities transactions. No incident of non-compliance of the Model Code by the employees was noted by the Company throughout the period from the Listing Date, being January 8, 2025, to June 30, 2025.

Subsequent Event

The Group has no significant events occurred after the Reporting Period which require additional disclosures or adjustments as at the date of this interim report.

Legal Proceedings

As of June 30, 2025, as far as the Company is aware, the Company and its subsidiaries were not involved in any material litigation or arbitration and no material litigation or claim of material importance was pending or threatened against or by the Company.

CORPORATE GOVERNANCE AND OTHER INFORMATION

CAUTIONARY LANGUAGE REGARDING FORWARD-LOOKING STATEMENTS

All statements in this report that are not historical fact or that do not relate to present facts or current conditions are forward-looking statements. Such forward-looking statements express the Group's current views, projections, beliefs and expectations with respect to future events as of the date of this announcement. Such forward-looking statements are based on a number of assumptions and factors beyond the Group's control. As a result, they are subject to significant risks and uncertainties, and actual events or results may differ materially from these forward-looking statements and the forward-looking events discussed in this announcement might not occur. Such risks and uncertainties include, but are not limited to, those detailed under the heading "Principal Risks and Uncertainties" in our most recent annual report and interim report and other announcements and reports made available on our corporate website, 66nao.cn. No representation or warranty is given as to the achievement or reasonableness of, and no reliance should be placed on, any projections, targets, estimates or forecasts contained in this report.

By order of the Board
BrainAurora Medical Technology Limited
脑动极光医疗科技有限公司
Tan Zheng
Chairman

September 26, 2025

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Board of Directors of BrainAurora Medical Technology Limited
(incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of BrainAurora Medical Technology Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") set out on pages 39 to 65, which comprise the condensed consolidated statement of financial position as at June 30, 2025, and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting" ("**IAS 34**") issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as issued by the Hong Kong Institute of Certified Public Accountants. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
August 28, 2025

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended June 30, 2025

	NOTES	For the six months ended June 30, 2025 RMB'000 (unaudited)	For the six months ended June 30, 2024 RMB'000 (audited)
Revenue	4	100,051	51,887
Cost of sales		(59,200)	(27,367)
Gross profit		40,851	24,520
Other income	5	7,281	582
Other expenses and other gains and losses, net	6	(4,415)	2,135
Fair value loss of financial liabilities at fair value through profit or loss ("**FVTPL**")		–	(243)
Impairment loss under expected credit loss ("**ECL**") model, net of reversal		(9,684)	(4,142)
Selling and distribution expenses		(30,445)	(25,376)
Administrative expenses		(46,008)	(28,138)
Research and development expenses		(68,149)	(64,231)
Finance costs	7	(11,975)	(10,904)
Listing expenses		(2,670)	(8,592)
Loss before tax		(125,214)	(114,389)
Income tax expense	8	(1,667)	–
Loss and total comprehensive expense for the period	9	(126,881)	(114,389)
Loss for the period attributable to:			
Owners of the Company		(126,365)	(114,328)
Non-controlling interests		(516)	(61)
		(126,881)	(114,389)
Loss per share (RMB)	11		
Basic		(0.11)	(0.13)
Diluted		(0.11)	(0.13)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at June 30, 2025

	NOTES	As at June 30, 2025 RMB'000 (unaudited)	As at December 31, 2024 RMB'000 (audited)
NON-CURRENT ASSETS			
Property, plant and equipment		23,599	23,386
Right-of-use assets	12	12,127	21,039
Intangible assets	13	11,794	2,909
Prepayments and other receivables	14	4,860	4,029
		52,380	51,363
CURRENT ASSETS			
Contract costs		630	534
Trade and other receivables and prepayments	14	171,831	134,221
Financial assets at FVTPL	15	109,002	–
Restricted bank deposits	16	100,755	69,495
Bank balances and cash		287,922	343,882
		670,140	548,132
CURRENT LIABILITIES			
Trade and other payables	17	34,467	56,090
Contract liabilities		13,606	10,075
Tax liabilities		810	–
Receipts in advance from cornerstone investors		–	320,971
Lease liabilities		7,222	11,823
Bank and other borrowings	19	143,102	21,261
Deferred income		1,787	1,696
Long-term bond – due within one year	18	74,336	74,663
Financial liabilities at FVTPL	20	–	285,428
		275,330	782,007
NET CURRENT ASSETS (LIABILITIES)		394,810	(233,875)
TOTAL ASSETS LESS CURRENT LIABILITIES		447,190	(182,512)

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 LIABILITIES			
Lease liabilities		3,379	8,918
Long-term bond	*18*	196,128	271,617
Deferred income		1,081	977
		200,588	281,512
NET ASSETS (LIABILITIES)		246,602	(464,024)
CAPITAL AND RESERVES			
Share capital	*21*	1	1
Reserves		247,488	(463,654)
Equity attributable to owners of the Company		247,489	(463,653)
Non-controlling interests		(887)	(371)
TOTAL EQUITY (DEFICITS)		246,602	(464,024)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended June 30, 2025

	Attributable to owners of the Company								Non-controlling interests	Total
	Share capital RMB'000	Share premium RMB'000	Capital reserve RMB'000 *(Note i)*	Share-based payments reserve RMB'000	Other reserve RMB'000 *(Note ii)*	Shares held under Pre-IPO Share Award Scheme RMB'000 *(Note iii)*	Accumulated losses RMB'000	Subtotal RMB'000	RMB'000	RMB'000
At January 1, 2024 (audited)	1	6,223	1,225,470	44,873	28,938	–*	(1,637,643)	(332,138)	(43)	(332,181)
Loss and total comprehensive expense for the period	–	–	–	–	–	–	(114,328)	(114,328)	(61)	(114,389)
Recognition of equity-settled share-based payments (Note 22)	–	–	–	35,304	–	–	–	35,304	–	35,304
At June 30, 2024 (audited)	1	6,223	1,225,470	80,177	28,938	–*	(1,751,971)	(411,162)	(104)	(411,266)
At January 1, 2025 (audited)	1	6,223	1,225,470	111,640	28,938	–*	(1,835,925)	(463,653)	(371)	(464,024)
Loss and total comprehensive expense for the period	–	–	–	–	–	–	(126,365)	(126,365)	(516)	(126,881)
Recognition of equity-settled share-based payments (Note 22)	–	–	–	38,859	–	–	–	38,859	–	38,859
Reclassification from financial liabilities at FVTPL (Note 20)	–#	285,428	–	–	–	–	–	285,428	–	285,428
Issue of shares upon the initial public offering ("**IPO**")	–##	539,168	–	–	–	–	–	539,168	–	539,168
Transaction costs attributable to issue of new ordinary shares	–	(25,948)	–	–	–	–	–	(25,948)	–	(25,948)
At June 30, 2025 (unaudited)	1	804,871	1,225,470	150,499	28,938	–	(1,962,290)	247,489	(887)	246,602

* The amount represents 85,166 shares of BrainAurora Medical Technology Limited (the "**Company**") with a par value of USD0.0001 each, issued at an amount of USD8.5 (equivalent to RMB61) in August 2023.

The amount represents 95,878 Series A-1 Preferred Shares (defined in Note) of the Company with a par value of USD0.0001 each with an amount share capital of USD9.6 (equivalent to RMB69).

The amount represents 181,112,000 shares of the Company with a par value of USD0.0000001 each, issued at an amount share capital of USD18.1 (equivalent to RMB130) during in January 2025.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended June 30, 2025

Notes:

i. Capital reserve represents capital contribution from certain investors of Zhejiang BrainAurora Medical Technology Co., Ltd. (浙江腦動極光醫療科技有限公司) ("**BrainAurora Zhejiang**")) and the adjustments recognized arising from a group reorganization completed in 2023.

ii. Other reserve represents the balance of equity-settled share-based payments transferred from share-based payments reserve upon vesting.

iii. On August 2, 2023, a total of 85,166 shares (the "**Awarded Shares**") of the Company had been allotted and issued to Wisdomspirit Holding Limited ("**HoldCo**"), a company wholly owned by Trident Trust Company (HK) Limited ("**Trident**"), to facilitate the administration of the Pre-IPO Share Award Scheme as defined in Note 22. The Award Shares will be held in the HoldCo for the relevant selected participants until such Awarded Shares are vested. Based on the arrangements among the Company and Trident, the Company is able to control Trident and its subsidiary HoldCo. Therefore, the Group (as defined in Note 1) accounts for Trident and HoldCo as consolidated structured entities. The ordinary shares of the Company held by HoldCo are accounted for as a debit to the Group's reserve and are presented under the heading of "Shares held under Pre-IPO Share Award Scheme" in the consolidated statements of changes in equity.

* *English names are for identification purpose only.*

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended June 30, 2025

	For the six months ended June 30, 2025 RMB'000 (unaudited)	For the six months ended June 30, 2024 RMB'000 (audited)
NET CASH USED IN OPERATING ACTIVITIES	(110,153)	(75,527)
INVESTING ACTIVITIES		
Interest received	5,782	198
Purchases of property, plant and equipment	(7,523)	(9,865)
Proceeds from disposal of property, plant and equipment	24	35
Payments for rental deposits	(363)	–
Refund of rental deposit	–	1,001
Purchases of financial assets at FVTPL	(215,810)	–
Proceeds from disposal of financial assets at FVTPL	107,820	–
Placement of restricted bank deposit	(100,220)	–
Withdrawal of restricted bank deposit	69,495	95,000
Payments for intangible assets	(7,772)	(367)
Loans to third parties	(18,990)	–
NET CASH (USED IN) FROM INVESTING ACTIVITIES	(167,557)	86,002
FINANCING ACTIVITIES		
Proceeds from bank borrowings	136,872	–
Proceeds from issue of shares upon IPO	218,197	–
Repayment of bank borrowings	(15,000)	(6,000)
Payments of share issue costs	(19,462)	(1,152)
Interest paid	(1,054)	(551)
Repayment of lease liabilities	(6,471)	(4,487)
Repayment of long-term bond	(90,000)	–
NET CASH FROM (USED IN) FINANCING ACTIVITIES	223,082	(12,190)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(54,628)	(1,715)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	343,882	57,577
Effect of foreign exchange rate changes	(1,332)	44
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	287,922	55,906

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law section 165 of the Cayman Islands on April 25, 2023. The address of the Company's registered office is at #4-210, Governors Sq., 23 Lime Tree Bay Avenue, PO Box 32311, Grand Cayman KY1-1209, Cayman Islands. The principal place of business of the Company is Block A, Dongsheng Science and Technology Park & Fengyeyuan Digital Industry Economic Park, Zhongguancun, 135 Qinghe Road, Haidian District, Beijing, the People's Republic of China (the "**PRC**").

The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") with effect from January 8, 2025.

The Company is an investment holding company. Its subsidiaries are principally engaged to offer cognitive impairment digital therapeutics ("**DTx**") integral software solutions in the PRC. The Company and its subsidiaries are hereinafter collectively referred to as the "Group".

The condensed consolidated financial statements are presented in Renminbi ("**RMB**"), which is also the functional currency of the Company.

2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" issued by the International Accounting Standards Board (the "**IASB**") as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange.

3. ACCOUNTING POLICIES

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

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

Application of amendments to IFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to IFRS Accounting Standard issued by the IASB, for the first time, which are mandatorily effective for the annual period beginning on or after January 1, 2025 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IAS 21	Lack of Exchangeability

The application of the amendments to an IFRS Accounting Standard in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

4. REVENUE AND SEGMENT INFORMATION

(i) Disaggregation of revenue

	For the six months ended June 30, 2025 RMB'000 (unaudited)	For the six months ended June 30, 2024 RMB'000 (audited)
Provision of the brain function information management platform software system (the "**System**") integral software solutions		
In hospitals	51,780	35,282
Out of hospitals	23,097	10,544
	74,877	45,826
Research projects	344	5,914
Medical artificial intelligence ("**AI**") large language model solutions *(Note)*	24,779	–
Others	51	147
Total	100,051	51,887

Note: During the current period, the Group entered into a contract to provide multiple deliverables to the customer, including sales of hardware, a self-developed general medical and cognitive large-scale AI model software license, installation and deployment services. Each of the deliverables mentioned above was accounted for as a separate performance obligation because they have standalone functionality and are capable of being distinct. Revenue from sales of hardware and software is recognized upon the receipt of customer acceptance after the installation and deployment. Such acceptance is acknowledged through a signed document verifying that the hardware and software are fully operational to the customer's satisfaction. The Group also provide after-sales maintenance services during the warranty period, which is considered as an assurance-type warranty. The management of the Group has assessed that the financial impact of warranty are expected to be insignificant.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

4. REVENUE AND SEGMENT INFORMATION (CONTINUED)

(i) Disaggregation of revenue (Continued)

	For the six months ended June 30, 2025 RMB'000 (unaudited)	For the six months ended June 30, 2024 RMB'000 (audited)
Timing of recognition		
At a point in time	76,903	41,249
Over time	23,148	10,638
	100,051	51,887
Geographical market		
Mainland China	100,051	51,887

(ii) Segment information

Information reported to the executive directors, being the chief operating decision makers (the "**CODM**") for the purpose of resources allocation and assessment of segment performance, focuses on types of goods or services delivered or provided. During the current period, the CODM assesses the operating performance and allocates resources of the Group as a whole, as all of the Group's activities are considered to be primarily the provision of cognitive impairment DTx integral software solutions. Accordingly, the executive directors consider there is only one operating segment under the requirements of IFRS 8 *Operating Segments*. In this regard, no segment information is presented.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

4. REVENUE AND SEGMENT INFORMATION (CONTINUED)

(ii) Segment information (Continued)

Geographic information

The Group's operations are mainly located in Mainland China. Information about the Group's non-current assets is presented based on the geographical location of the assets.

	Non-current Assets	
	June 30, 2025 RMB'000 (unaudited)	December 31, 2024 RMB'000 (audited)
Mainland China	**42,148**	44,499
Hong Kong and Japan	**8,068**	4,082
	50,216	48,581

Note: Non-current assets excluded financial instruments.

5. OTHER INCOME

	For the six months ended June 30, 2025 RMB'000 (unaudited)	For the six months ended June 30, 2024 RMB'000 (audited)
Interest income on bank balances and restricted bank deposits	**6,317**	378
Interest income from rental deposits	**59**	54
Government grants related to research and development activities	**556**	150
Interest income from short-term loan receivables	**349**	–
Total	**7,281**	582

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

6. OTHER EXPENSES AND OTHER GAINS AND LOSSES, NET

	For the six months ended June 30, 2025 RMB'000 (unaudited)	For the six months ended June 30, 2024 RMB'000 (audited)
Fair value gains on financial assets at FVTPL	1,012	–
Losses on early repayments of long-term bond	(3,263)	–
Gain on re-estimated repayments of long-term bond	–	2,151
Losses on lease termination and lease modifications	(876)	(7)
Net foreign exchange loss	(1,270)	(9)
Others	(18)	–
Total	(4,415)	2,135

7. FINANCE COSTS

	For the six months ended June 30, 2025 RMB'000 (unaudited)	For the six months ended June 30, 2024 RMB'000 (audited)
Interest expense on long-term bond	10,921	10,353
Interest on bank borrowings	759	365
Interest on lease liabilities	295	186
Total	11,975	10,904

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

8. INCOME TAX EXPENSE

	For the six months ended June 30, 2025 RMB'000 (unaudited)	For the six months ended June 30, 2024 RMB'000 (audited)
Current tax:		
PRC Enterprise Income Tax	**1,577**	–
Under provision in respect of prior period:		
PRC Enterprise Income Tax	**90**	–
Total	**1,667**	–

The Company was incorporated in the Cayman Islands and is exempted from income tax.

No Hong Kong profit tax was provided for as there was no estimated assessable profit of the Group's Hong Kong subsidiary that was subject to Hong Kong profit tax.

Beijing Zhijingling Technology Co., Ltd.* (北京智精靈科技有限公司) ("**Beijing Zhijingling**") has been accredited as a High and New Technology Enterprise ("**HNTE**") by the Beijing Municipal Science & Technology Commission and relevant authorities in December 2019 for a term of three years ended December 2022. The HNTE qualification of Beijing Zhijingling was further renewed and extended to December 2025. Beijing Zhijingling was subject to a preferential income tax rate of 15% from December 2019 to December 2025. Pursuant to the notice of the Ministry of Finance and the State Administration of Taxation on extending the loss carrying forward period of HNTE and high-tech small and medium enterprises (Cai Shui 2018 No. 76), with effect from January 1, 2018, for qualified HNTE and high-tech small and medium enterprises, the unutilized tax losses incurred in the previous 5 years can be utilized in 10 years from the year of loss. The unutilized tax losses of Beijing Zhijingling incurred since year 2014 will be expired in 10 years from the year of loss.

* English names are for identification purpose only.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

9. LOSS FOR THE PERIOD

	For the six months ended June 30, 2025 RMB'000 (unaudited)	For the six months ended June 30, 2024 RMB'000 (audited)
Loss for the period has been arrived at after charging:		
Staff costs, including directors' remuneration		
– salaries and other allowances	39,006	33,031
– retirement benefits	3,787	3,446
– equity-settled share-based payments included in selling and distribution expenses	7,138	6,404
– equity-settled share-based payments included in administrative expenses	15,731	14,106
– equity-settled share-based payments included in research and development expenses	15,990	14,794
Total staff costs	81,652	71,781
Listing expenses	2,670	8,592
Depreciation of property, plant and equipment	6,607	8,642
Depreciation of right-of-use assets	5,495	3,938
Amortization of intangible assets	549	869
Total depreciation and amortization	12,651	13,449
Short-term lease expense	59	65

10. DIVIDENDS

No dividends were paid, declared or proposed during the interim period. The directors of the Company have determined that no dividend will be paid in respect of the interim period.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

11. LOSS PER SHARE

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

	For the six months ended June 30, 2025 RMB'000 (unaudited)	For the six months ended June 30, 2024 RMB'000 (audited)
Loss		
Loss for the period attributable to owners of the Company	**(126,365)**	(114,328)

	For the six months ended June 30, 2025 Shares ('000) (unaudited)	For the six months ended June 30, 2024 Shares ('000) (audited)
Number of shares		
Weighted average number of Ordinary Shares (defined in Note 2 to the Group's annual consolidated financial statements for the year ended December 31, 2024) for the purpose of basic and diluted loss per share	**1,170,400**	904,122

The weighted average number of Ordinary Shares for the purpose of calculating basic loss per share for the six months ended June 30, 2025 has been determined on the assumptions that the Share Subdivision as set out in Note 21 had been effective since January 1, 2025 and the ordinary shares issued to HoldCo are not treated as outstanding Ordinary Shares and excluded in the calculation of basic loss per share.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

11. LOSS PER SHARE (CONTINUED)

The weighted average number of Ordinary Shares for the purpose of calculating basic loss per share for the six months ended June 30, 2024 has been determined on the assumptions that the Share Subdivision as set out in Note 21 had been effective since January 1, 2024 and the Series A-1 Preferred Shares (defined in Note 20) and the ordinary shares issued to HoldCo are not treated as outstanding Ordinary Shares and excluded in the calculation of basic loss per share.

For the purpose of calculation of diluted loss per share for the six months ended June 30, 2025 and 2024, it did not take into account the effect of the share awards of the Company since the assumed vesting would result in a decrease in loss per share.

12. RIGHT-OF-USE ASSETS

During the current interim period, the Group entered into several new lease agreements with lease terms ranged from 2 to 3 years. On date of lease commencement, the Group recognized right-of-use assets of RMB5,273,000 (six months ended June 30, 2024: nil).

In April 2025, the Group early terminated a lease with the lessor. The Group derecognized the rental deposit of RMB1,060,000, right-of-use assets of RMB8,690,000 and lease liabilities of RMB8,874,000, resulting in a loss of RMB876,000 in profit or loss. During the six months ended June 30, 2024, the Group remeasured the lease liabilities of RMB1,408,000 and right-of-use assets of RMB1,415,000 due to a reduction of the leased space and recognized the difference of RMB7,000 in profit or loss.

13. INTANGIBLE ASSETS

During the current interim period, the Group's intangible assets increased by RMB5,189,000 for acquisition of a data package and RMB4,245,000 for a software under development (six months ended June 30, 2024: RMB267,000 for acquisition of a software).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

14. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at June 30, 2025 RMB'000 (unaudited)	As at December 31, 2024 RMB'000 (audited)
Trade receivables	135,921	105,312
Less: allowance for credit losses	(22,055)	(12,371)
	113,866	92,941
Prepayments to suppliers and service providers	26,463	19,453
Short-term loan receivables (Note)	23,717	4,400
Rental deposits	3,479	4,117
Value added tax recoverable	2,356	1,541
Prepayments for purchase of intangible assets	1,939	101
Receivables from third party payment platforms	1,677	2,879
Prepayments for purchase of property, plant and equipment	757	1,146
Other deposits	506	616
Advances to a related party	–	2,059
Deferred share issue costs	–	8,206
Others	1,931	791
Total	176,691	138,250
Analyzed as:		
Non-current	4,860	4,029
Current	171,831	134,221
Total	176,691	138,250
Trade and other receivables and prepayments denominated in:		
USD	14,667	–
RMB	162,024	138,250
	176,691	138,250

Note: These receivables were short-term loans to non-related parties, with fixed interest rates from nil to 5.6% per annum, and repayable within one year. The amounts of RMB3,000,000 and USD2,000,000 (equivalent to RMB14,667,000) are guaranteed by third parties and the remaining is unsecured.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

14. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (CONTINUED)

Before accepting any new customer, the Group uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. The Group allows a credit period of 30 to 180 days to its customers. The following is an aged analysis of trade receivables, net of allowance for credit losses, presented based on the respective revenue recognition dates at the end of the reporting period:

	As at June 30, 2025 RMB'000 (unaudited)	As at December 31, 2024 RMB'000 (audited)
Trade receivables		
0~90 days	**35,752**	33,425
91~180 days	**22,169**	18,545
181~270 days	**26,240**	14,654
271~360 days	**6,423**	10,546
361~720 days	**22,495**	15,771
>720 days	**787**	–
Total	**113,866**	92,941

As at June 30, 2025, included in the Group's trade receivables balance are debtors with aggregate carrying amount of RMB95,288,000 (December 31, 2024: RMB78,845,000) which are past due as at the reporting date. Out of the past due balances, RMB65,978,000 (December 31, 2024: RMB51,094,000) has been past due 90 days or more and is not considered as in default because the customers are mainly state-owned hospitals or state-owned universities which are with high credit ratings and frequently repay after due dates but usually settle the amounts in full and the amounts are still considered recoverable.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

15. FINANCIAL ASSETS AT FVTPL

	As at June 30, 2025 RMB'000 (unaudited)	As at December 31, 2024 RMB'000 (audited)
Financial assets at FVTPL	**109,002**	–

The Group invested in financial products managed by a bank in Hong Kong which can be redeemed at any time or at maturity. There is no predetermined or guaranteed return for each product. Such financial products are accounted for as financial assets at FVTPL under IFRS 9.

16. RESTRICTED BANK DEPOSITS

	As at June 30, 2025 RMB'000 (unaudited)	As at December 31, 2024 RMB'000 (audited)
Restricted bank deposits	**100,755**	69,495

The restricted bank deposit carries interest rate of 4.23% per annum as at June 30, 2025. Restricted bank deposits amounted to USD14,000,000 (equivalent to RMB100,220,000) have been pledged to secure a bank borrowing of RMB90,000,000 as disclosed in Note 19 which will mature on May 15, 2026 bearing interest rate of 3.23% per annum.

The restricted bank deposit carries interest at prevailing market rate of 0.10% per annum as at December 31, 2024 and withdrawal from the account is subject to endorsement of Shaoxing Binhai New Area Biomedical Industry Equity Investment Fund Partnership (LP)* (紹興濱海新區生物醫藥產業股權投資基金合夥企業(有限合夥)) ("**Shaoxing Fund**"), the details of which is set out in Note 18. The restriction of withdrawal endorsement was waived on January 14, 2025.

* English names are for identification purpose only.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

17. TRADE AND OTHER PAYABLES

	As at June 30, 2025 RMB'000 (unaudited)	As at December 31, 2024 RMB'000 (audited)
Trade payables	6,914	3,419
Accrued salaries and other allowances	5,046	10,259
Refund payables (Note)	1,435	3,242
Deposits for the hardware for cognitive training out of hospital	10,016	7,043
Payables for acquisition of property, plant and equipment	197	1,265
Accrued listing expenses and share issue costs	–	25,255
Other tax payables	1,709	1,860
Payables for research and development activities	1,731	1,353
Payables for purchase of intangible assets	3,500	–
Others	3,919	2,394
	34,467	56,090

Note: In December 2020, the Group terminated certain contracts relate to sales of the System with distributors and a contract relate to service for software development. These balances represent refundable prepayments received from distributors and customer and agreed compensation for the early termination of contracts.

The credit period granted by service providers is generally within 30 days. The following is an aged analysis of trade payables based on the date when service provided at the end of the reporting period:

	As at June 30, 2025 RMB'000 (unaudited)	As at December 31, 2024 RMB'000 (audited)
Trade payables within 1 year	6,914	3,419

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

18. LONG-TERM BOND

	As at June 30, 2025 RMB'000 (unaudited)	As at December 31, 2024 RMB'000 (audited)
Carrying amounts repayable:		
Within one year	**74,336**	74,663
Between two to five years	**196,128**	–
More than five years	**–**	271,617
	270,464	346,280
Less: Amounts due within one year shown under current liabilities	**(74,336)**	(74,663)
Amounts shown under non-current liabilities	**196,128**	271,617

In July 2021, BrainAurora Zhejiang, entered into a long-term bond subscription agreement and a supplementary agreement with Shaoxing Fund. The aggregate subscription amount was RMB300 million. The long-term bond carries nominal interests of 6% per annum and will mature on the fifth anniversary of a qualified IPO of the Group. BrainAurora Zhejiang shall pay the nominal interest of 6% per annum calculated on a simple basis up to December 31, 2025 no later than December 31, 2025. The principal and the interest from January 1, 2026 to the maturity date shall be settled within seven working days from the maturity date. The total subscription amount of RMB300 million was received in August 2021. The Shaoxing Fund may exercise its conversion option in relation to the long-term bond of no more than RMB100 million before the submission of the listing application with no later than December 31, 2025 and the conversion price is subject to further negotiation between the Shaoxing Fund and BrainAurora Zhejiang. The long-term bond includes conversion option that do not meet equity instrument classification by applying IAS 32 *Financial Instruments: Presentation*. The host debt component is measured at amortized cost and the derivative component of the conversion option is measured at fair value. Since there is no specific conversion price in the agreement, the fair value of the conversion option is considered nil. Therefore, the financial liability is measured at amortized cost and the effective interest rate calculated after taking into account of nominal interest rate and other directly related issue costs is 6.23%.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

18. LONG-TERM BOND (CONTINUED)

In June 2023, the Group and Shaoxing Fund signed a supplementary agreement, pursuant to which the conversion right, and the original guarantee obligation of certain shareholders and their close family members and friends were cancelled. The Group set up a new bank account and made deposits of RMB300,000,000 to this account as at June 30, 2023 according to above supplementary agreement and the withdrawal from the account is subject to approval of Shaoxing Fund. The restriction of withdrawal endorsement was waived on January 14, 2025. In June 2025, BrainAurora Zhejiang and Shaoxing Fund signed a supplementary agreement, pursuant to which all early repaid principal before December 31, 2025 will cease to accrue interest from the date of repayment. BrainAurora Zhejiang repaid the principal of RMB90,000,000 to Shaoxing Fund on June 27, 2025.

19. BANK AND OTHER BORROWINGS

	As at June 30, 2025 RMB'000 (unaudited)	As at December 31, 2024 RMB'000 (audited)
Other borrowing (Note i)	7,158	7,189
Bank borrowings (Note ii)	135,944	14,072
	143,102	21,261
Bank and other borrowings denominated in:		
USD	7,158	7,189
RMB	135,944	14,072
	143,102	21,261

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

19. BANK AND OTHER BORROWINGS (CONTINUED)

Notes:

i. In December 2022, BrainAu Medical Technology (Delaware) Co., LLC ("**BrainAu (Delaware)**"), a subsidiary of the Group, entered into a financing agreement with China Frontier Capital Holding Ltd., a shareholder of the Group. According to the original financing agreement, the borrowing amounted to USD1 million and is interest free and is due after the U.S. Food and Drug Administration approves the Section 510(k) registration for the Cognitive Impairment Assessment Software and Cognitive Impairment Treatment Software in the United States of America. During the current period, the payment term of the borrowing has been modified to payable no later than December 2025.

ii. During the current period, the Group obtained certain new bank borrowings. The interest rate of the bank borrowings as at June 30, 2025 ranged from 2.08% to 3.40% (December 31, 2024: 3.00% to 5.00%) per annum. Bank borrowing of RMB90,000,000 was secured by bank deposits amounted to USD14,000,000 (equivalent to RMB100,220,000) as disclosed in Note 16. The rest of bank borrowings of RMB45,944,000 are unsecured and unguaranteed.

20. FINANCIAL LIABILITIES AT FVTPL

	As at June 30, 2025 RMB'000 (unaudited)	As at December 31, 2024 RMB'000 (audited)
Series A-1 Preferred Shares	**–**	285,428

On July 30, 2023, as part of the reorganization, the Company issued 95,878 series A-1 preferred shares ("**Series A-1 Preferred Shares**") which had preferential rights including liquidation preferences, anti-dilution right and redemption right and has been designated as financial liabilities at FVTPL on initial recognition. The Series A-1 Preferred Shares have been automatically converted to 95,878,000 ordinary shares upon listing on January 8, 2025 and were reclassified from financial liabilities to equity at their fair value of RMB285,428,000.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

21. SHARE CAPITAL

	Number of shares	Share capital USD
Ordinary shares		
Ordinary shares of USD0.0000001 each	500,000,000,000	50,000
Authorized		
As at January 1, 2024, June 30, 2024 and January 1, 2025	499,904,122	49,990
Reclassification of Series A-1 Preferred Shares (Note 20)	95,878	10
Share Subdivision (Note i)	499,500,000,000	–
As at June 30, 2025	500,000,000,000	50,000
Issued and fully paid		
As at January 1, 2024, June 30, 2024 and January 1, 2025	989,288	99
Reclassification of Series A-1 Preferred Shares (Note 20)	95,878	10
Share Subdivision (Note i)	1,084,080,834	–
Issue of shares upon the IPO (Note ii)	181,112,000	18
As at June 30, 2025	1,266,278,000	127

	As at June 30, 2025 RMB'000 (unaudited)	As at December 31, 2024 RMB'000 (audited)
Presented as	**1**	1

Notes:

i. Pursuant to the written resolutions of all shareholders of the Company passed on December 24, 2024, each share in the then issued and unissued share capital with par value of USD0.0001 each has been split into 1,000 shares of the corresponding class with nominal value of USD0.0000001 each effective upon listing (the "**Share Subdivision**").

ii. On January 8, 2025, 181,112,000 ordinary shares with par value of USD0.0000001 each of the Company were issued at the offer price of HKD3.22 per share by way of public offer resulting in an increase of the share capital of USD18.1 (equivalent to approximately RMB130). An amount of RMB539,168,000, being the excess of the consideration received of HKD583,181,000 (equivalent to approximately RMB539,168,000, RMB320,971,000 of which was received as receipts in advance from cornerstone investors as at December 31, 2024) over the par value of the ordinary shares of RMB130, was credited to share premium. On the same date, the Company's shares were listed on the Main Board of the Stock Exchange.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

22. SHARE-BASED PAYMENT TRANSACTIONS

On July 30, 2023 (the "**Adoption Date**"), the Company adopted a pre-IPO share award scheme (the "**Pre-IPO Share Award Scheme**") to recognize and reward the contributions of certain eligible employees of the Group, and incentivize them for their future contribution to the continual operation and development of the Company. Subject to any early termination as may be determined by the board of directors, the Pre-IPO Share Award Scheme shall be valid and effective for a term of 10 years commencing on the Adoption Date.

Under the Pre-IPO Share Award Scheme, the maximum number of awards that may be granted under the Pre-IPO Share Award Scheme in aggregate (excluding the awards that have lapsed or been cancelled in accordance with the rules of the Pre-IPO Share Award Scheme) shall be 85,166 shares held or to be held by HoldCo for the purpose of the Pre-IPO Share Award Scheme.

On July 31, 2023, the Company granted 85,166 Awarded Shares under the Pre-IPO Share Award Scheme to 46 grantees (including directors, members of the senior management, and other employees of the Group) (the "**Pre-IPO Share Award**"). Included in the Pre-IPO Share Award, 27,129 Awarded Shares were granted to Mr. Tan Zheng, 26,946 Awarded Shares were granted to Dr. Wang Xiaoyi, 15,163 Awarded Shares were granted to the other three senior managements and the remaining 15,928 Awarded Shares were granted to other employees. Subject to the consummation of the listing of the Company's shares (the "**Listing**") and if certain performance and service conditions are met, the Awarded Shares granted shall vest in the following manner: 30% of such Awarded Shares shall be vested on the date of the first anniversary of the Listing; 30% of such Awarded Shares shall be vested on the date of the second anniversary of the Listing; and 40% of such Awarded Shares shall be vested on the date of the third anniversary of the Listing. During the current period, Dr. Wang Xiaoyi resigned as executive director, chief executive officer and chief research officer of the Group, with effect from June 19, 2025. Dr. Wang Xiaoyi continues to serve as a consultant to the Group and the 26,946 Awarded Shares granted are not forfeited.

The following table discloses movements of the Pre-IPO Share Award Scheme:

Category	**Outstanding as at January 1, 2025**	**Granted during the period**	**Forfeited during the period**	**Outstanding as at June 30, 2025**
Pre-IPO Share Award Scheme	**83,971**	**–**	**–**	**83,971**

Category	Outstanding as at January 1, 2024	Granted during the period	Forfeited during the period	Outstanding as at June 30, 2024
Pre-IPO Share Award Scheme	85,166	–	–	85,166

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

22. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

The fair value of each Award Share was RMB3,222.98 which was determined based on the price of the Company's ordinary shares at the grant date.

The Group recognized a share award expense of RMB38,859,000 in respect of the Pre-IPO Share Award during the six months ended June 30, 2025 (the six months ended June 30, 2024: RMB35,304,000).

23. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Some of the Group's financial instruments are measured at fair value for financial reporting purposes. In estimating the fair value, the management of the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the management of the Group determines the appropriate valuation techniques and inputs for fair value measurements and works closely with the qualified valuer to establish the appropriate valuation techniques and inputs to the model.

Except for financial assets at FVTPL and financial liabilities at FVTPL as set out below, there is no financial instrument measured at fair value on a recurring basis.

	Fair value			
	as at June 30, 2025 RMB'000 (unaudited)	as at December 31, 2024 RMB'000 (audited)	**Fair value hierarchy**	**Valuation techniques**
Financial asset				
Financial assets at FVTPL	**109,002**	–	Level 2	Redemption value quoted by banks
Financial liability				
Series A-1 Preferred Shares	**–**	285,428	Level 2	Market approach, based on recent transaction price (Note)

Note: In estimating the fair value, the Directors adopted the valuation technique which maximizes the use of observable data to the extent it is available and minimizes the use of unobservable inputs. The fair value of the Series A-1 Preferred Shares at December 31, 2024 was determined with reference to the offer price in the prospectus of the Company dated December 30, 2024.

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortized cost in the consolidated financial statements approximate their respective fair values at the end of reporting period except for the long-term bond, of which the fair value is expected to be less than the carrying amount.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

24. RELATED PARTY BALANCES AND TRANSACTIONS

a. Name and relationship

Name	Relationship
Mr. Tan Zheng	Executive Director of the Company

b. The Group had the following related party transactions and related parties balance during the six months ended June 30, 2025 and 2024:

	As at June 30, 2025 RMB'000 (unaudited)	As at December 31, 2024 RMB'000 (audited)
Advances to a related party		
Non-trade nature		
Mr. Tan Zheng	–	2,059

The maximum amount outstanding during the six months ended June 30, 2025 was RMB2,059,000. Advances to a related party are unsecured, interest free and repayable on demand.

c. Compensation of key management personnel

The emoluments of key management during the reporting period are as follows:

	For the six months ended June 30, 2025 RMB'000 (unaudited)	For the six months ended June 30, 2024 RMB'000 (audited)
Short-term employee benefits	7,378	2,123
Retirement benefits	156	160
Equity-settled share-based payments	32,470	30,503
	40,004	32,786

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2025

25. CAPITAL COMMITMENTS

	As at June 30, 2025 RMB'000 (unaudited)	As at December 31, 2024 RMB'000 (audited)
Capital expenditure contracted but not provided for in respect of acquisition of equipment and machineries and leasehold improvements	**506**	860

FORWARD-LOOKING STATEMENTS

All statements in this report that are not historical fact or that do not relate to present facts or current conditions are forward-looking statements. Such forward-looking statements express the Group's current views, projections, beliefs and expectations with respect to future events as of the date of this report. Such forward-looking statements are based on a number of assumptions and factors beyond the Group's control. As a result, they are subject to significant risks and uncertainties, and actual events or results may differ materially from these forward-looking statements and the forward-looking events discussed in this report might not occur. Such risks and uncertainties include, but are not limited to, those detailed under the heading "Principal Risks and Uncertainties" in our most recent annual report and interim report and other announcements and reports made available on our corporate website, 66nao.cn. No representation or warranty is given as to the achievement or reasonableness of, and no reliance should be placed on, any projections, targets, estimates or forecasts contained in this report.

DEFINITIONS

"AI"	artificial intelligence
"ADHD"	attention deficit hyperactivity disorder
"ADHD Software"	Attention Deficit Hyperactivity Disorder Assessment and Treatment Software
"Articles of Association" or "Articles"	the third amended and restated articles of association of our Company adopted by special resolution on December 24, 2024, with effect upon the Listing Date, as amended from time to time
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Audit Committee"	the audit committee of the Board
"Award(s)"	an award of the Awarded Shares by the Board pursuant to the Pre-IPO Share Award Scheme
"Awarded Share(s)"	the Shares awarded by our Company pursuant to the Pre-IPO Share Award Scheme
"BCAT"	Basic Cognitive Testing Software
"Board" or "Board of Directors"	the board of directors of our Company
"BrainAurora Zhejiang"	Zhejiang BrainAurora Medical Technology Co., Ltd. (浙江腦動極光醫療科技有限公司), a limited liability company established in the PRC on September 21, 2012 and directly wholly owned by WFOE, being one of our Major Subsidiaries
"BVI Subsidiary"	BrainAurora Limited, a business company with limited liability incorporated in the British Virgin Islands on April 28, 2023 and directly wholly owned by our Company
"CCBT"	Computerized Cognitive Behavioral Therapy
"CDDCI"	Child development deficiency induced cognitive impairment
"CE mark"	the mark appears on products signify that products sold in the European Economic Area have been assessed to meet high safety, health, and environmental protection requirements
"CEO"	chief executive officer of our Company
"CG Code"	the "Corporate Governance Code" as contained in Appendix C1 to the Listing Rules

DEFINITIONS

"China", "Mainland China" or "PRC"	People's Republic of China, but for the purpose of this interim report and for geographical reference only and except where the context requires otherwise, references in this interim report to "China" and the "PRC" do not apply to Hong Kong, Macau and Taiwan
"Class II Medical Device"	devices that have a moderate to high risk to the patient and/or user
"close associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Companies (Winding Up and Miscellaneous Provisions) Ordinance"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
"Companies Act" or "Cayman Companies Act"	the Companies Act, Cap. 22 (As Revised) of the Cayman Islands
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
"Company" or "our Company"	BrainAurora Medical Technology Limited (脑动极光医疗科技有限公司), an exempted company with limited liability incorporated under the laws of the Cayman Islands on April 25, 2023
"Compliance Adviser"	SPDB International Capital Limited, our compliance adviser
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"connected transaction(s)"	has the meaning ascribed thereto under the Listing Rules
"Controlling Shareholder(s)"	has the meaning ascribed to it under the Listing Rules and unless the context otherwise requires, refers to Mr. Tan, Dr. Wang, together with their respective close associates, namely ZTan Limited, Wispirits Limited, Wiseforward Limited and Neurobright Limited
"core connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"Core Product"	has the meaning ascribed to it in Chapter 18A of the Listing Rules; for the purpose of this interim report, our Core Product refers to the System
"DD"	Developmental dyslexia
"Director(s)" or "our Director(s)"	the directors of our Company, including all executive, non-executive and independent non-executive Directors

DEFINITIONS

"DNN"	deep neutral networks
"Dr. Wang"	Dr. Wang Xiaoyi (王曉怡), a Controlling Shareholder
"DSS"	Dyslexia Supplemental Screening and Assessment Software
"DTx"	digital therapeutics
"ESG"	environmental, social and governance; a collection of corporate performance evaluation criteria that assess the robustness of a company's governance mechanisms and its ability to effectively manage its environmental and social impacts
"Group", "our Group", "our", "we" or "us"	our Company and all of our subsidiaries or, where the context so requires, in respect of the period before our Company became the holding company of its present subsidiaries, the businesses operated by such subsidiaries or their predecessors (as the case may be)
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Stock Exchange" or "Stock Exchange"	The Stock Exchange of Hong Kong Limited
"HK Subsidiary"	BrainAurora (HK) Medical Technology Limited, a limited company incorporated in Hong Kong on May 11, 2023 and directly wholly owned by BVI Subsidiary
"Hunan MPA"	Hunan Medical Products Administration
"ISO 13485"	a set of requirements for a quality management system where an organization needs to demonstrate its ability to provide medical devices and related services that consistently meet customer and applicable regulatory requirements
"KOLs"	key opinion leaders
"Listing Date"	January 8, 2025, the date on which dealings in the Shares first commence on the Main Board
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
"Listing"	the listing of our Shares on the Main Board

DEFINITIONS

"Liuhui Biotech"	Tianjin Liuhui Biotechnology Co., Ltd (天津六慧生物科技有限公司) (formerly known as Shanghai Liuhui Biotechnology Co., Ltd. (上海六慧生物科技有限公司)), a limited liability company incorporated in the PRC on 29 April 2016 and is wholly-owned company of Dr. Wang
"Main Board"	the stock market (excluding the options market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange
"ML"	machine learning
"MMSE"	Mini-Mental State Examination
"MoCA"	Montreal Cognitive Assessment
"Mr. Tan"	Mr. Tan Zheng (譚錚), the chairman of the Board, executive Director, chief strategy officer of the Company and a Controlling Shareholder
"Nanchang Fusion"	Nanchang Fusion Therapeutics, Ltd. (南昌福藥生物技術有限公司), a limited liability company established in the PRC on November 29, 2021, a wholly-owned subsidiary of our Company
"NCI"	Neurodegenerative disease induced cognitive impairment
"NHC"	the National Health Commission of the PRC (中華人民共和國國家衛生健康委員會)
"NMPA"	National Medical Products Administration (國家藥品監督管理局) and its predecessor, the China Food and Drug Administration (國家食品藥品監督管理總局) from 2013 to 2018 and the State Food and Drug Administration (國家食品藥品監督管理局) from 2003 to 2013
"Nomination Committee"	the nomination committee of the Board
"PCI"	Psychiatric disorder induced cognitive impairment
"Pre-IPO Share Award Scheme"	the share award scheme adopted by the Company on July 30, 2023
"Prospectus"	the prospectus of the Company dated December 30, 2024
"Remuneration Committee"	the remuneration committee of the Board

DEFINITIONS

"Reporting Period"	the six months ended June 30, 2025
"RMB"	the lawful currency of the PRC
"SAS"	Cognitive Ability Supplemental Screening and Assessment software
"SFO"	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
"Share Subdivision"	the subdivision of each share in the Company's issued and unissued share capital with par value of US$0.0001 each into 1,000 shares of the corresponding class with nominal value of US$0.0000001 each
"Share(s)" or "Ordinary Share(s)"	ordinary share(s) in the share capital our Company, with a nominal value of US$0.0001 each prior to the Share Subdivision or US$0.0000001 each upon the completion of the Share Subdivision
"Shareholder(s)"	holder(s) of our Share(s)
"Shuhui LP"	Tianjin Shuhui Information Consulting Partnership (Limited Partnership) (天津樞慧信息諮詢合夥企業(有限合夥) (formerly known as Shanghai Shuhui Business Information Consulting Center (Limited Partnership) (上海樞慧商務信息諮詢中心(有限合夥)), a limited partnership established in the PRC on May 17, 2016 and ultimately controlled by Dr. Wang
"subsidiary(ies)"	has the meaning ascribed to it in Section 15 of the Companies Ordinance
"substantial shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"System"	Brain Function Information Management Platform Software System
"U.S." or "United States"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"UDCA"	ursodeoxycholic acid, a secondary bile acid approved by the FDA as first-line treatment for PBC, and widely used off-label to treat PSC
"ULN"	upper limit of normal, the 95th percentile of the target population
"US$"	United States dollars, the lawful currency of the United States
"VDCI"	Vascular disease induced cognitive impairment
"we", "us" or "our"	the Company or the Group, as the context requires

DEFINITIONS

"WFOE"	Zhejiang Zhiling Ruidong Medical Technology Co., Ltd. (浙江智靈睿動醫療科技有限公司), a limited liability company established in the PRC on June 16, 2023 and directly wholly owned by HK Subsidiary
"Xuanwu Hospital"	Xuanwu Hospital Capital Medical University (首都醫科大學宣武醫院)
"Zhipan LP"	Nanjing Zhipan Information Consulting Partnership (Limited Partnership) (南京智盼信息諮詢合夥企業(有限合夥) (formerly known as Shanghai Zhipan Business Information Consulting Center (Limited Partnership) (上海智盼商務信息諮詢中心(有限合夥) and Tianjin Zhipan Information Consulting Partnership (Limited Partnership) (天津智盼信息諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on May 17, 2016 and ultimately controlled by Dr. Wang
"%"	per cent

* *For identification purposes only*