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)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2026

The board (the "**Board**") of directors (the "**Director(s)**") of BrainAurora Medical Technology Limited 脑动极光医疗科技有限公司 (the "**Company**" or "**BrainAurora**") is pleased to announce the unaudited consolidated interim results of the Company, its subsidiaries and consolidated affiliated entities (the "**Group**" or "**We**") for the six months ended June 30, 2026 (the "**Reporting Period**"), together with comparative figures for the same period of 2025.

In this announcement, "we", "us" and "our" refer to the Company and where the context otherwise requires, the Group. Certain amount and percentage figure included in this announcement have been subject to rounding adjustments or have been rounded to one or two decimal places, as appropriate. Any discrepancies in any table, chart or elsewhere totals and sums of amounts listed therein are due to rounding.

FINANCIAL HIGHLIGHTS

	Six months ended June 30,		Period-on-Period change
	2026	2025	
	RMB'000	*RMB'000*	*%*
Revenue	**119,883**	100,051	19.82%
Loss and total comprehensive expense for the period	**(134,581)**	(126,881)	-6.07%
Adjusted net loss for the period*	**(99,185)**	(88,022)	-12.68%

* 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 expenses under the employee long-term incentive plans.

BUSINESS HIGHLIGHTS

We have long been deeply committed to the field of cognitive impairment digital therapeutics. Building on "medical-grade" products and evidence-based medicine, and leveraging our proprietary large AI model technology, we have established a continuous, long-term and personalized AI digital health platform, thereby establishing a four-in-one closed-loop ecosystem that integrates "medical, users, data and AI". In the first half of 2026, we made significant progress in both scientific research innovation and business expansion, continuously solidifying our global leadership in the field of cognitive impairment digital therapeutics. Specifically, we have made progress in the following areas:

1. Important Progress was Made in Scientific Research and Clinical Trials for the Core Product Pipeline

   (1) Dyslexia adjunctive recovery training product

   Our Company's dyslexia adjunctive recovery training product has completed clinical trials at the main center, Beijing Children's Hospital, Capital Medical University, while its clinical trials at the other three sub-centers are currently undergoing patient enrollment. We plan to complete the clinical trials in December 2026, submit the registration application in the first quarter of 2027, and expect to obtain the medical device registration certificate in the third quarter of 2027.

   (2) Randomized controlled trials of cognitive digital therapeutics in patients with hypertension, coronary heart disease, and atrial fibrillation accompanied by cognitive impairment but without dementia

   This research series consists of three sub-studies and has enrolled a cumulation of 649 patients, with follow-up for all patients being completed in 2024, yielding significant scientific achievements, which include:

   a. On June 23, 2026, the research paper titled "Ultra-high-field 7 T MRI reveals neural abnormalities of attention networks in relation to cognitive impairment in hypertension", a collaborative effort involving the team led by Professor Ma Changsheng (馬長生) from Beijing Anzhen Hospital, Capital Medical University, the team led by Professor Wang Jiguang (王繼光) from Ruijing Hospital, Shanghai Jiao Tong University School of Medicine, and the active participation and support of our Group's research team, was published online in Brain Research, an internationally renowned journal in neuroimaging. Using 7T ultra-high-field magnetic resonance imaging (MRI) technology, this study provided the first detailed mapping of microstructural and functional abnormalities in the brain's attention networks of patients with hypertension and cognitive impairment. It not only reveals how blood pressure fluctuations, particularly an increase in pulse pressure, can "slow down" thinking speed by affecting specific brain regions, thus providing a new perspective for understanding early cognitive decline associated with hypertension, but also lays a scientific foundation for developing more precise early warning and intervention strategies.

b. The research paper on a multi-center randomized controlled trial conducted by the Group in collaboration with eight domestic medical centers including Beijing Anzhen Hospital, Capital Medical University, titled "Efficacy of computerised cognitive training in patients with coronary heart disease and mild cognitive impairment: a randomised controlled trial", was officially published in Heart, an internationally renowned journal in cardiovascular field. The study enrolled a total of 224 patients with coronary heart disease accompanied by MCI, with results showing that both multi-domain adaptive cognitive training and traditional cognitive training can significantly improve patients' cognitive function. In particular, adaptive cognitive training demonstrated superior benefits in terms of treatment adherence, health-related quality of life, and brain structural plasticity, further validating the clinical value of cognitive impairment digital therapeutics for individuals with cardiovascular disease accompanied by cognitive impairment.

c. The research paper titled "Neural changes after computerized cognitive training in coronary heart disease with mild cognitive impairment: secondary analysis of a randomized clinical trial" on the clinical study hosted by the team led by Professor Zeng Yong (曾勇) from Beijing Anzhen Hospital, Capital Medical University and with the active participation of our Group, was published online in Alzheimer's Research & Therapy, an internationally renowned academic journal. The study showed that multi-domain adaptive computerized cognitive training can promote functional and structural neuroplasticity in memory-related circuits among patients with coronary heart disease and mild cognitive impairment. Changes in functional connectivity were associated with cognitive improvement and may mediate blood pressure reduction, suggesting that adaptive cognitive training may be involved in "brain-cardiac axis" interactions. This breakthrough in "brain-cardiac axis" theory provides high-level evidence supporting the dual benefits of digital therapeutics for patients with cardiovascular and cerebrovascular comorbidities, while demonstrating the potential of digital therapeutics for synergistic intervention at the "brain-cardiac axis" level, thus offering novel clinical insights for proactive health management and precision non-pharmacological interventions in patients with cardiovascular and cerebrovascular comorbidities.

(3) Depression Treatment Software

The Company's Depression Treatment Software product has undergone updates and iterations, has been re-submitted for type testing, and has had its clinical trial protocol revised in accordance with the requirements of national regulatory authorities. The Company expects to initiate the clinical study by the end of September 2026, complete it by September 2027, submit the registration application in November 2027, and expects to obtain the medical device registration certificate in July 2028.

(4) Cognitive function assessment product for depression

The Company received its clinical statistics report on cognitive function assessment product for depression in May 2026, with its registration application being accepted in June 2026 and its registration verification passed. The product has now entered the technical approval phase. The Company expects to obtain the medical device registration certificate by the end of November 2026.

2. Scientific Research Innovation and Academic Achievements

(1) Research topic under national major science and technology project approved and launched

From late 2025 through the first half of 2026, Beijing Zhijingling Technology Co., Ltd. (北京智精靈科技有限公司), a wholly-owned subsidiary of the Company, participated in the major national science and technology project of the "Prevention, Treatment and Research of Cancer, Cardiovascular and Cerebrovascular, Respiratory and Metabolic Diseases", with successfully approved research topic titled "Establishment and Scenario-based Application of Key Technologies for Digital Diagnosis and Treatment of Intracranial Atherosclerotic Stenosis-Related Cognitive Impairment Based on Deep Reasoning Large Models" (Project No.: 2025ZD0546200), which was officially commenced in the first half of 2026. Led by Xuanwu Hospital, Capital Medical University, this project is jointly tackled by Peking Union Medical College Hospital of Chinese Academy of Medical Sciences, Institute of Psychology of Chinese Academy of Sciences, Jilin University, Beijing Normal University and the Company. This project marks the first research topic included in major national science and technology project in the field of digital diagnosis and treatment for neurocognitive disorders in China, indicating that such direction has been acknowledged as part of national strategic scientific research.

This research topic focuses on the diagnostic and therapeutic challenges of Intracranial Atherosclerotic Stenosis (ICAS)-related cognitive impairment. Its core research directions include: (a) establishing an three-tiered assessment technology spectrum and a deep reasoning prediction large model for ICAS-related cognitive impairment; (b) developing and validating key technologies for digital interventions based on deep reasoning and feedback control using large model; (c) building a multi-device interactive digital diagnosis and treatment platform based on large-model cloud-edge collaboration technology and digital doctors; (d) promoting a full-scenario closed-loop management system for ICAS-related cognitive impairment centered on "embodied diagnosis and treatment".

(2) Two Beijing key laboratories approved for establishment

(a) The joint application for the "Beijing Key Laboratory for Digital Healthcare for Cognitive Impairment" by Beijing Zhijingling Technology Co., Ltd. (北京智精靈科技有限公司), a wholly-owned subsidiary of the Company, and Xuanwu Hospital, Capital Medical University, has been successfully approved and established, forming a synergistic innovation model characterized by "clinical-driven, basic research support, software-hardware integration, and seamless translation". The laboratory focuses on three main areas: refining a standardized multi-modal dataset for cognitive impairment; developing intelligent, multidimensional assessment technologies based on deep reasoning large model; and building a multi-modal intelligent diagnosis and treatment platform that covers the entire disease course from "assessment, intervention to management", and full scenario from "hospitals, communities to home".

(b) The "Beijing Key Laboratory for Innovation and Translation of Precision and Intelligent Diagnosis and Treatment for Mental Disorders (精神疾病精準智能診療創新轉化北京市重點實驗室)" jointly declared by the Company, Peking University Sixth Hospital and National Engineering Research Center for Software Engineering of Peking University has obtained official approval for establishment. Research scope includes, among others, R&D and clinical application of digital therapeutics, research on the effectiveness of cognitive digital therapeutics for attention deficit hyperactivity disorder and precision and intelligent diagnosis and treatment system for depression. The research will cover the development of digital therapeutics products for emotional behavior problems throughout the lifespan and clinical verification, including the effectiveness and compliance study of cognitive digital therapeutics in enhancing the learning abilities among children with attention deficit hyperactivity disorder (ADHD), the R&D and effectiveness study of "home-school-hospital" digital collaborative intervention therapy for emotional disorders in children and adolescents, the R&D and clinical validation of cognitive digital therapeutics products for adults with ADHD, the R&D and clinical research of ADHD coaching courses and digital products; the development of multi-modal diagnosis technology for depression, in particular, the development of a hierarchical intervention system based on depression severity to establish a precise, accessible and safe stepped-care intervention platform for depression providing digital therapeutics solutions; and the further optimization of electronic cognitive assessment and intervention tasks and personalized recommendation algorithms to improve targeted cognitive digital therapeutics.

(3) Continuous Breakthroughs in Large AI Model Technology

AlphaCog, the large medical model independently developed by the Company, continued to undergo iterative upgrades. Following the acceptance in 2025 of the paper by the Company's R&D team titled "Improve Decoding Factuality by Token-wise Cross Layer Entropy of Large Language Models" by NAACL 2025, a top international conference in the field of natural language processing, the Company further advanced the practical application of large models in medical scenarios and cutting-edge technological innovations in the first half of 2026.

In June 2026, the paper by the Group's technical team titled "Dual-Enhancement Product Bundling: Bridging Interactive Graph and Large Language Model" was published in the "Electronics", an international journal, and was awarded the "Best Researcher Award". This research introduced a dual-enhancement training framework for large models for the first time, which integrates interactive graph knowledge with the semantic understanding of large language model (LLM) for combined task recommendations, and the proposed Dynamic Concept Binding Mechanism (DCBM) effectively alleviated the cold-start problem. This method consistently outperformed all baseline methods on three public datasets, achieving relative improvements ranging from 6.3% to 26.5%, and made a valuable contribution to the advancement of large language models in the application fields of reasoning systems.

Meanwhile, in the 2026 Xiong'an International Medical and Big Health Technology Application Competition, the Group's project titled "Application of a Large Model-Based Digital Diagnosis and Treatment Platform for Cognitive Impairment Diseases in the Medical Field" (《基於大模型的認知障礙疾病數字診療平台在醫療領域的應用》) participated in the competition of smart hospital new scenarios against 40 teams including Tsinghua University, Peking University, Beijing Tongren Hospital affiliated to Capital Medical University and Hebei Medical University, and ultimately secured first place and was honored as the champion.

Furthermore, in the 3rd Collection of Future City in Xiong'an • Xiong'an Vertical Large Model (AI Agent) Application Competition (第三屆雄安未來之城場景匯雄安垂直大模型(智能體)應用大賽), the Group's project titled "Exploration and Application of Personalized Intervention Technology Based on Cognitive Deep-Reasoning Large Models in the Medical Field" (《基於認知深度推理大模型的個性化干預技術在醫療領域探索及應用》) secured second place in the "AI+" new scenarios sector with its self-developed BrainAuGPT cognitive deep reasoning large model. Based on BrainAuGPT, the team built an industry-unique "cloud-edge-end" intelligent assessment system and a "precise prescription tailored to each individual" personalized AI intervention system. Leveraging three original technologies of LLM fine-tuning based on second-order knowledge representation, decoding using Monte Carlo Tree Search under spatiotemporal uncertainty and cross-layer entropy-enhanced hallucination mitigation for large models based on graph-structured behavioral data, a closed-loop system of "perception-reasoning-decision-making-feedback-optimization" was formed.

3. Continuous Acceleration of Commercialization and Rapid Growth of Revenue

The Company's revenue increased by RMB19.83 million from RMB100.05 million for the six months ended June 30, 2025 to RMB119.88 million for the six months ended June 30, 2026, representing a year-on-year increase of 19.82%.

(1) Continued Expansion of Business Partner Network

The Company has also made substantial progress in expanding its business partner network. As of June 30, 2026, the number of partner institutions adopting the Company's core system increased to 322, representing a 29% increase from 249 as at June 30, 2025. Its partner institutions are widely distributed, mainly covering the Pearl River Delta, Beijing-Tianjin-Hebei region, Sichuan, Henan and other regions, and gradually expanding into key central and northern cities, laying a solid channel foundation for the nationwide large-scale application of the Company's products.

(2) Rapid Growth in User Base

With continuous enhancement of product capabilities and rising market awareness, BrainAurora's digital therapeutics solutions have gained recognition among a broader user base. On the home-based client side, core operating metrics achieved an overall jump: (i) The number of patient system accesses increased from approximately 2,595,554 for the six months ended June 30, 2025 to approximately 7,630,305 for the same period in 2026; (ii) Monthly active users reached 10,885 in June 2026, an increase compared with 8,156 in the same period of 2025.

(3) Commercial Breakthroughs in the Pediatric Business

Based on the evidence-based results from the RCT of the ADHD digital therapeutics published by the Group in 2025, the Group accelerated the expansion of its commercial footprint in the pediatric field from 2025 to the first half of 2026. It has established cooperation with leading children's specialized hospitals in China, including Children's Hospital of Capital Institute of Pediatrics, Beijing Haidian Maternal & Child Health Care Hospital, Shanghai Children's Medical Center affiliated to Shanghai Jiao Tong University School of Medicine, Children's Hospital, Children's Hospital of Soochow University, Changchun Children's Hospital, Henan Children's Hospital (Zhengzhou Children's Hospital) and Hunan Children's Hospital. As a result, the business related to children's developmental disorders has entered a stage of rapid growth.

(4) Commercialization of Digital Health Integrated Platform

In March 2026, the Company entered into a strategic cooperation agreement with Tokyo Lifestyle Co., Ltd. to jointly build an AI digital health integrated platform for the elderly and explore an innovative model of "online cognitive assessment, training and rehabilitation + offline functional health products". Business process trials were completed in the first half of the year, and commercial sales and operational cooperation have commenced. Meanwhile, the Company is exploring the development of a digital health integrated platform in China, which is expected to provide digital health services to domestic users in the second half of 2026, covering digital cognitive assessment and training, digital motion monitoring, digital sleep monitoring, digital metabolic products and personalized functional health products.

MANAGEMENT DISCUSSION AND ANALYSIS

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 (the "**System**" or the "**Core Product**"), 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 announcement, 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 announcement, 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 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 announcement. 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 announcement. We enjoy rights with respect to our products and product candidates in jurisdictions where we receive regulatory approvals.

BUSINESS REVIEW

Our Core Product – Brain Function Information Management Platform Software 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.

Our Other Key Products and Product Candidates

As of the date of this announcement, 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

Our Company's dyslexia adjunctive recovery training product has completed clinical trials at the main center, Beijing Children's Hospital, Capital Medical University, while its clinical trials at the other three sub-centers are currently undergoing patient enrollment. We plan to complete the clinical trials in December 2026, submit the registration application in the first quarter of 2027, and expect to obtain the medical device registration certificate in the third quarter of 2027.

Quantitative Cognitive Assessment Software for Depression

The Company received its clinical statistics report on cognitive function assessment product for depression in May 2026, with its registration application being accepted in June 2026 and its registration verification passed. The product has now entered the technical approval phase. The Company expects to obtain the medical device registration certificate by the end of November 2026.

Depression Treatment Software

The Company's Depression Treatment Software product has undergone updates and iterations in accordance with the requirements of national regulatory authorities, has been re-submitted for type testing, and has had its clinical trial protocol revised. The Company expects to initiate the clinical study by the end of September 2026, complete it by September 2027, submit the registration application in November 2027, and expects to obtain the medical device registration certificate in July 2028.

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).

Bone Trauma and Pain Cognitive Impairment Digital Therapeutics Product

The Company has completed the R&D of the bone trauma and pain digital therapeutics product, and plans to initiate the registration clinical research in the third quarter of 2026, and expects to complete the registration clinical research in the third quarter of 2027. We plan to submit the registration application in the fourth quarter of 2027, and expect to obtain the medical device registration certificate and commence commercialization in the second quarter of 2028.

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

RESEARCH AND DEVELOPMENT CAPABILITY

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

R&D Team

We have a strong multi-disciplinary in-house R&D team of 128 professionals with 26 holding a master's degree and two holding PhDs as of the date of this announcement. Our R&D team is led by Mr. Cai Longjun ("**Mr. Cai**"), who is our chief executive officer, chief technology officer and chief operating officer. 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.

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.

Clinical Development

Our clinical affairs department has significant experience in conducting clinical trials for our products. As of the date of this announcement, 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

Digital therapeutics (DTx) refer to software-driven medical solutions that assess patient conditions by collecting various types of patient data (such as pictures, texts, voices and video feeds) in order to deliver therapeutic interventions that prevent, treat, and manage various types of diseases. DTx digitize medical principles and standardized treatment plans into software-driven interventional measures that improve patients' access to and compliance with treatments. Cognitive impairment DTx, as its subset, focuses on deficits in neurocognitive domains caused by vascular diseases, neurodegenerative diseases, psychiatric disorders, and child development deficiency. Specific types include vascular disease induced cognitive impairment (VDCI), neurodegenerative disease induced cognitive impairment (NCI), psychiatric disorder-related cognitive impairment (PCI), and child development disorders such as Attention Deficit Hyperactivity Disorder (ADHD) and autism. Each category of diseases presents unique treatment challenges, and traditional drug therapies often may not be effective or lack targeted options, therefore there is a growing need for effective, evidence-based solutions. Cognitive impairment DTx leverages cutting-edge technology to provide patients with personalized assessment and intervention tools to improve their cognitive functions and quality of life. As the number of people affected by cognitive impairments continues to increase, the market is experiencing significant growth and is expected to continue to grow.

Industry Development: Market demand coupled with policy and technology drivers propels the continuous development of domestic and overseas markets

1. The burden of cognitive impairment related diseases in China continues to increase, and national policies highly support prevention and treatment

China has a massive number of cognitive impairment patients. Among adults, there are currently approximately 38.77 million patients with mild cognitive impairment and approximately 15.07 million patients with dementia in the population aged 60 and above; there are approximately 23 million children with ADHD. The cognitive impairments induced by these diseases have caused a heavy economic burden on patients, families, and society.

The prevention and treatment of cognitive impairment and related psychiatric and psychological disorders have risen to the national strategic level. The National Action Plan for the Prevention and Treatment of Dementia explicitly proposes the establishment of a comprehensive and continuous prevention and control system of "prevention, screening, diagnosis and treatment, recovery, and care"; the Healthy Children Action Enhancement Plan (2021-2025) also emphasizes strengthening the monitoring and assessment of children's psychological and behavioral development.

Traditional cognitive impairment medical services generally face bottlenecks such as uneven distribution of professional resources, low patient accessibility, and high difficulty in long-term management, which restrict the efficiency and quality of prevention and treatment. Cognitive impairment DTx, with evidence-based medicine as its core and relying on information technologies such as cloud computing, big data, and artificial intelligence, can break through time and space limitations, precisely match patient needs, and achieve personalized interventions. With its high accessibility advantage, it is becoming an important breakthrough and core path for solving the prevention and control challenges of cognitive impairment diseases. The DTx products represented by BrainAurora's Core Product have been included in the provincial health insurance reimbursement lists of 30 provinces, marking the wide recognition of its clinical value and fully reflecting the state's high level of attention to psychiatric disorders such as cognitive impairment at the policy level.

2. The accelerated iteration of AI-driven technologies and products brings new opportunities for disease treatment

The cognitive impairment intervention field is currently undergoing profound technological transformations. The industry has gradually shifted from traditional single functional training to a stage of etiology diagnosis and risk prediction integrating multi-modal data. By integrating multi-dimensional data such as medical imaging and physiological indicators, the intervention mode aligns more closely with the essence of the disease, achieving an upgrade from symptom relief to source prevention and control.

Large AI models have become a core driving force, deeply applied in aspects such as the generation of personalized intervention plans, virtual human intelligent assessments, precise prediction of therapeutic efficacy, and continuous iteration of intervention plans, propelling the industry from experience-led to data-driven precise diagnosis and treatment.

At the same time, the establishment of industry standards has become the core commanding height of competition. Building a unified assessment technology system, standardized clinical validation pathways, and standardized application norms are inevitable requirements for the high-quality development of the industry. In the future, enterprises that can deeply participate in the formulation of industry standards will occupy a significant advantage in market access, technological competition, and industry discourse.

3. Leveraging local advantages to empower the globe, the overseas expansion of DTx is a general trend

Many countries around the globe are jointly facing the common challenges of deepening population aging and the continuously rising burden of cognitive impairment diseases. Data shows that the proportion of the population aged 65 and above in Singapore has exceeded 30%, and the population aged 60 and above in Malaysia has reached 3.8 million. The prevention and control of cognitive impairment has become a key topic in the public health sector of many countries. Singapore has successively launched strategic initiatives such as "Healthier SG" and "Dementia-Friendly Singapore," striving to build a health management system of early screening and full-cycle care; although Malaysia faces a dilemma of relatively scarce medical resources, it continues to improve mental health-related policies and increase investments in disease prevention and treatment.

China's cognitive impairment DTx, which have matured in advance, possess core competitiveness for global export by virtue of multiple advantages in technology, products, models, and standards. Based on the massive domestic market and policy dividends, expanding mature technological solutions, service systems, and practical experiences overseas will not only help alleviate the global shortage of cognitive impairment medical resources, but is also an important choice for the industry to break through domestic market boundaries and achieve global development.

BrainAurora's Recognition and Outlook on Industry Development Trends

1. "Medical-grade" is the core direction of DTx products, evidence-based medicine is the cornerstone, and standards are the barriers

Building DTx into medical-grade products with clinical value is the core direction of industry development. To achieve medical-grade certification, it is necessary to follow a rigorous evidence-based medicine system: generating high-level academic papers through standardized and scientific clinical trials, and forming authoritative and credible evidence-based medical evidence. On this basis, promoting the formation of expert consensus and clinical guidelines with high-quality clinical evidence, and thereby formulating industry standards to push for the inclusion of products into standardized diagnosis and treatment systems, is the key path for DTx to gain clinical and market recognition. BrainAurora cooperates with top institutions such as Peking University Sixth Hospital to conduct randomized controlled trials (such as the ADHD digital-drug combination therapy), supporting product value with authentic and reproducible clinical data; meanwhile, participating in the formulation of multiple consensuses and standards not only consolidates its technological leadership but also lays the foundation for the development of the DTx industry.

2. Platformization is the ultimate form, and data and AI constitute a flywheel

Cognitive impairment is a typical chronic disease. Its intervention and recovery require continuous, long-term, and personalized full-course management. Single-function products are difficult to meet the long-term needs of clinical practice and patients; platformization is the ultimate form of industry development.

The core barrier of an enterprise lies in building and connecting the four-in-one "Medical-Patient-Data-AI" closed-loop ecological platform. The real-world intervention data of patients are continuously accumulated and fed back, which retrofeeds the iterative upgrading of AI algorithms and models; more precise AI models further enhance intervention effects and clinical value; excellent therapeutic efficacy and empirical evidence attract more medical institutions and clinical experts to carry out in-depth cooperation; broader clinical applications and superior service experiences drive more patients to access and continuously use the platform, forming a positive growth flywheel that builds long-term sustainable core competitiveness for the Company.

3. The overseas expansion of DTx conforms to industry trends and becomes an important direction for expanding business models

Facing the continuously growing global demand for cognitive health, actively promoting the overseas layout of DTx not only complies with industry development trends, but is also an important direction for the Company to expand its business models and broaden its development space. Relying on its core advantages in clinical evidence, technological R&D, and product commercialization, and leveraging China's international influence in the digital health sector, the Company focuses on exploring markets and carrying out business layouts in neighboring countries such as those in Southeast Asia, steadily promoting the outward export of mature medical-grade DTx products and service systems. By pragmatically advancing international practices, the Company further unlocks the value of its technologies and products, assisting the Company in building a more resilient and sustainable global development layout.

BrainAurora's Future Strategic Layout: Leading industry development through technological innovation, deepening domestic market cultivation, and exploring global development

Domestic Market: Building an "Industry-Academic-Research-Medical" closed-loop ecosystem to seize the commanding heights of standards and data

1. Vertically deepening cultivation in scientific research commanding heights

Participating in major national specific projects: Through cooperation with "national teams" such as Xuanwu Hospital, focusing on cognitive impairment with specific etiologies such as intracranial atherosclerotic stenosis (ICAS), we are developing digital diagnosis and treatment technologies based on deep reasoning large models to initiate etiology diagnosis from the source.

Co-building key laboratories: Jointly applying for and gaining approval for a Beijing Key Laboratory with top medical institutions such as Xuanwu Hospital and Peking University Sixth Hospital, deeply integrating the enterprise's R&D capabilities into the national scientific research system to ensure continuous technological leadership.

2. Horizontally expanding product application scenarios

Continuously deepening layouts in the psychiatric specialty field, the Company has established in-depth cooperation with core domestic psychiatric specialty institutions such as Peking University Sixth Hospital, Beijing Anding Hospital, and Shandong Mental Health Center, building a three-in-one cooperation network of top-level scientific R&D, clinical validation implementation, and regional large-scale promotion, comprehensively covering key psychiatric and psychological disease fields such as Attention Deficit Hyperactivity Disorder (ADHD) and depression, continuously solidifying clinical and scientific research advantages.

In terms of the public health service system, we actively promote product coverage and scenario extension. The Company collaborates with Beijing Jianguo Medical, a designated project execution unit of the Guokang Center of the Ministry of Civil Affairs, to promote the implementation of products in mental health welfare institutions and grassroots community scenarios. Relying on three core drivers: national standard research, multi-center clinical pilots, and long-term cohort data construction, we assist products in gradually integrating into the public health and social welfare systems.

Overseas Market: Implementing the pragmatic implementation strategy of "Model First, Radiating Regions"

The Company implements an overseas expansion strategy tailored to local conditions in overseas markets. In regions such as Singapore, Malaysia, Macau, and Hong Kong, we integrate product, channel, brand, and technological resources to jointly promote product implementation, explore the sample model, and reserve momentum for long-term growth.

Underlying Technology: Building the "AI Brain" and "Data Flywheel"

Continuously investing in the R&D of large AI models (such as BrainAuGPT), we achieve automated assessments through virtual humans, and utilize AI technology to realize the dynamic recommendation of training plans tailored to each individual. We explore "multi-modal AI cognitive agents" to achieve the leap from assisted assessment to proactive interventional decision-making, integrating EEG, voice, imaging, genomics, and wearable device data to build a full-cycle cognitive health management system covering "assessment – intervention – recovery".

The Company will take real-world data obtained from domestic multi-center pilots as its core asset, utilize knowledge enhancement technology to solve the pain points of real-world data being "unstructured and multi-source heterogeneous," conduct unified integration and build a standardized cognitive data knowledge base, continuously iterate algorithms, optimize products, and generate high-level evidence-based evidence, constructing a dual access barrier of "standards + data".

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 announcement.

Revenue

Our revenue increased by RMB19.83 million from RMB100.05 million for the six months ended June 30, 2025 to RMB119.88 million for the six months ended June 30, 2026, representing a year-on-year increase of 19.82%.

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 the following reasons: (i) As of June 30, 2026, the number of partner institutions adopting the Company's core system increased to 322, representing a 29% increase from 249 as at June 30, 2025. Its partner institutions are widely distributed, mainly covering the Pearl River Delta, Beijing-Tianjin-Hebei region, Sichuan, Henan and other regions, and gradually expanding into key central and northern cities, laying a solid channel foundation for the nationwide large-scale application of the Company's products; (ii) On the home-based user end, core operating metrics achieved an overall jump: (1) an increase in the number of times patients used the System from approximately 2,595,554 times for the six months ended June 30, 2025 to approximately 7,630,305 times for the same period in 2026; (2) monthly active users reached 10,885 in June 2026, an increase of 33.5% compared to 8,156 in the same period of 2025; (3) average daily usage time per user was 23.06 minutes for the six months ended June 30, 2026, reflecting strong user stickiness and intervention compliance.

Cost of Sales

Our cost of sales increased from RMB59.20 million for the six months ended June 30, 2025 to RMB65.27 million for the six months ended June 30, 2026, representing an increase of 10.25%. The increase in our cost of sales was primarily due to an RMB9.15 million increase in operational costs, incurred by third-party service providers that provide operational support in cognitive centers on our behalf.

Gross Profit

Our gross profit increased from RMB40.85 million for the six months ended June 30, 2025 to RMB54.61 million for the six months ended June 30, 2026, representing an increase of 33.68%. 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 and restricted bank deposit; (ii) interest income from rental deposits; (iii) interest income from loans receivable; (iv) government grants related to R&D activities; and (v) income from sales of health products.

Our other income increased from RMB7.28 million for the six months ended June 30, 2025 to RMB12.36 million for the six months ended June 30, 2026, representing an increase of 69.78%. The increase in our other income was mainly attributable to (i) the increase in interest income on bank balances and restricted bank deposits of RMB1.45 million (the interest income amounted RMB7.77 million in the first half of 2026, as compared to RMB6.32 million in the first half of 2025); (ii) the increase in government grants related to research and development activities of RMB1.74 million and (iii) the increase in income from sales of health products of RMB1.33 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 changed from RMB-4.42 million for the six months ended June 30, 2025 to RMB-23.63 million for the six months ended June 30, 2026. The increase in our other expenses and other gains and losses, net was primarily attributable to (i) the increase in net foreign exchange loss of RMB18.1 million (the net foreign exchange loss amounted RMB19.37 million in the first half of 2026, as compared to RMB1.27 million in the first half of 2025); and (ii) the donation expenditure of RMB4 million (RMB1.5 million to Wu Jieping Medical Foundation and RMB2.5 million to the Education Foundation of Capital Medical University (首都醫科大學教育基金會)).

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 RMB30.45 million for the six months ended June 30, 2025 to RMB36.35 million for the six months ended June 30, 2026. The increase of 19.38% 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) professional service expenses; (iii) utilities and office expenses; (iv) depreciation and amortization expenses; (v) share-based payments; and (vi) others.

Our administrative expenses increased from RMB46.01 million for the six months ended June 30, 2025 to RMB53.03 million for the six months ended June 30, 2026, representing an increase of 15.26%. The increase in our administrative expenses was primarily attributable to (i) the increase in professional service expenses of RMB3.07 million, which was primarily the consultants' fees arising from a top-up subscription; (ii) the increase in depreciation and amortization expenses of RMB2.32 million.

R&D Expenses

Our R&D expenses primarily consist of (i) staff remuneration; (ii) share-based payments; (iii) other miscellaneous purchases and reimbursements; (iv) technical service fee engaging external organization for development; and (v) service fee and cloud service fee.

Our R&D expenses decreased from RMB68.15 million for the six months ended June 30, 2025 to RMB63.45 million for the six months ended June 30, 2026, representing a decrease of 6.90%. The decrease in our R&D expenses was primarily due to the fact that service fee and cloud service fee decreased by RMB4.53 million as compared with the same period last year, representing a decrease of 66.63%. Among them, the cloud service fee included service fee for cloud service providers and other service fee.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED JUNE 30, 2026

	NOTES	**For the six months ended June 30, 2026** ***RMB'000*** **(unaudited)**	For the six months ended June 30, 2025 *RMB'000* (unaudited)
Revenue	*4*	**119,883**	100,051
Cost of sales		**(65,269)**	(59,200)
Gross profit		**54,614**	40,851
Other income	*5*	**12,358**	7,281
Other expenses and other gains and losses, net	*6*	**(23,633)**	(4,415)
Impairment losses (including reversals of impairment losses) on financial assets	*13*	**(14,159)**	(9,684)
Selling and distribution expenses		**(36,349)**	(30,445)
Administrative expenses		**(53,029)**	(46,008)
Research and development expenses		**(63,445)**	(68,149)
Finance costs	*7*	**(10,908)**	(11,975)
Listing expenses		**–**	(2,670)
Loss before tax		**(134,551)**	(125,214)
Income tax expense	*8*	**(30)**	(1,667)
Loss and total comprehensive expense for the period	*9*	**(134,581)**	(126,881)
Loss for the period attributable to:			
Owners of the Company		**(134,004)**	(126,365)
Non-controlling interests		**(577)**	(516)
		(134,581)	(126,881)
Loss per share (RMB)	*11*		
Basic		**(0.10)**	(0.11)
Diluted		**(0.10)**	(0.11)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2026

	NOTES	**As at June 30, 2026 *RMB'000* (unaudited)**	As at December 31, 2025 *RMB'000* (audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**25,120**	27,114
Right-of-use assets		**14,533**	18,107
Intangible assets		**15,290**	12,671
Prepayments and other receivables	*12*	**32,188**	13,539
		87,131	71,431
CURRENT ASSETS			
Trade and other receivables and prepayments	*12*	**204,196**	128,749
Restricted bank deposits	*14*	**95,899**	101,193
Bank balances and cash	*14*	**658,436**	430,358
Tax recoverable		**1,064**	1,157
		959,595	661,457
CURRENT LIABILITIES			
Trade and other payables	*15*	**50,394**	51,366
Contract liabilities	*17*	**21,691**	17,817
Tax liabilities		**34**	10
Lease liabilities		**7,995**	7,621
Bank and other borrowings	*18*	**333,884**	346,089
Deferred income		**651**	1,038
		414,649	423,941
NET CURRENT ASSETS		**544,946**	237,516
TOTAL ASSETS LESS CURRENT LIABILITIES		**632,077**	308,947

	NOTES	As at June 30, 2026 RMB'000 (unaudited)	As at December 31, 2025 RMB'000 (audited)
NON-CURRENT LIABILITIES			
Lease liabilities		**5,662**	9,498
Long-term bond	*16*	**208,695**	202,314
Deferred income		**781**	1,664
		215,138	213,476
NET ASSETS		**416,939**	95,471
CAPITAL AND RESERVES			
Share capital	*19*	**1**	1
Reserves		**419,324**	97,344
Equity attributable to owners of the Company		**419,325**	97,345
Non-controlling interests		**(2,386)**	(1,874)
TOTAL EQUITY		**416,939**	95,471

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 Palm Grove Unit 4, 265 Smith Road, George Town, P.O. Box 52A Edgewater Way, #1653, Grand Cayman KY1-9006, 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.

Other than additional/change in accounting policies resulting from application of amendments to IFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended June 30, 2026 are the same as those presented in the Group's annual consolidated financial statements for the year ended December 31, 2025.

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, 2026 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to IFRS Accounting Standard	Annual Improvements to IFRS Accounting Standards – Volume 11

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.

4. REVENUE AND SEGMENT INFORMATION

(i) Disaggregation of revenue

	For the six months ended June 30, 2026 ***RMB'000*** **(unaudited)**	For the six months ended June 30, 2025 *RMB'000* (unaudited)
Provision of the brain function information management platform software system (the "**System**") integral software solutions		
In hospitals	**62,400**	51,780
Out of hospitals	**32,707**	23,097
	95,107	74,877
Research projects	**2,692**	344
Medical artificial intelligence language model solutions	**21,593**	24,779
Others	**491**	51
Total	**119,883**	100,051

	For the six months ended June 30, 2026 ***RMB'000*** **(unaudited)**	For the six months ended June 30, 2025 *RMB'000* (unaudited)
Timing of recognition		
At a point in time	**87,080**	76,903
Over time	**32,803**	23,148
	119,883	100,051
Geographical market		
Mainland China	**119,666**	100,051
Macau	**217**	–
	119,883	100,051

4. REVENUE AND SEGMENT INFORMATION (CONTINUED)

(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.

Geographic information

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

	Revenue from external customers		**Non-current assets *(Note)***	
	For the six months ended June 30, 2026 ***RMB'000*** **(unaudited)**	For the six months ended June 30, 2025 *RMB'000* (unaudited)	**As at June 30, 2026** ***RMB'000*** **(unaudited)**	As at December 31, 2025 *RMB'000* (audited)
Chinese Mainland	**119,666**	100,051	**66,212**	48,604
Hong Kong	**–**	–	**10,337**	9,852
Japan	**–**	–	**1,214**	1,876
Macau	**217**	–	**–**	–
	119,883	100,051	**77,763**	60,332

Note: Non-current assets excluded financial instruments.

5. OTHER INCOME

	For the six months ended June 30, 2026 ***RMB'000*** **(unaudited)**	For the six months ended June 30, 2025 *RMB'000* (unaudited)
Interest income on bank balances and restricted bank deposits	**7,772**	6,317
Government grants related to research and development activities	**2,294**	556
Income from sales of health products *(Note)*	**1,328**	–
Interest income from short-term loan receivables	**906**	349
Interest income from rental deposits	**58**	59
Total	**12,358**	7,281

Note: During the current period, the Group entered into a sales agreement with a wholly-owned subsidiary of Tokyo Lifestyle Co., Ltd., which is listed on the NASDAQ (stock code: TKLF) of sales of health products. The health products are mainly nutritional supplements and functional food, which is accounted for as a single performance obligation. Income from the sales of health products are recognized upon delivery and acceptance by the customer, when control of the goods has been transferred to the customer. The Group is considered as an agent for its contracts with customers relating to the income from sales of health products as the Group did not obtain the control over health products before passing to the customer.

6. OTHER EXPENSES AND OTHER GAINS AND LOSSES, NET

	For the six months ended June 30, 2026 ***RMB'000*** **(unaudited)**	For the six months ended June 30, 2025 *RMB'000* (unaudited)
Net foreign exchange loss	**(19,366)**	(1,270)
Donations	**(4,000)**	–
Gain on disposal of a non-wholly owned subsidiary	**149**	–
Fair value gains on financial assets at FVTPL	**–**	1,012
Losses on early repayments of long-term bond	**–**	(3,263)
Losses on lease termination and lease modifications	**–**	(876)
Others	**(416)**	(18)
Total	**(23,633)**	(4,415)

7. FINANCE COSTS

	For the six months ended June 30, 2026 ***RMB'000*** **(unaudited)**	For the six months ended June 30, 2025 *RMB'000* (unaudited)
Interest expense on long-term bond	**6,381**	10,921
Interest on bank borrowings	**4,270**	759
Interest on lease liabilities	**257**	295
Total	**10,908**	11,975

8. INCOME TAX EXPENSE

	For the six months ended June 30, 2026 ***RMB'000*** **(unaudited)**	For the six months ended June 30, 2025 *RMB'000* (unaudited)
Current tax:		
PRC Enterprise Income Tax	**30**	1,577
Under provision in respect of prior period:		
PRC Enterprise Income Tax	**–**	90
Total	**30**	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**") have been accredited as a High-New Technology Enterprise (the "**HNTE**") by the Science and Technology Bureau of Beijing and relevant authorities in December 2019 for a term of three years ended December, 2021. The HNTE qualification of Beijing Zhijingling was further renewed and extended to October 2028. Beijing Zhijingling was subject to a preferential income tax rate of 15% from year 2019 to 2028. 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.

9. LOSS FOR THE PERIOD

	For the six months ended June 30, 2026 ***RMB'000*** **(unaudited)**	For the six months ended June 30, 2025 *RMB'000* (unaudited)
Loss for the period has been arrived at after charging:		
Staff costs, including directors' remuneration		
– salaries and other allowances	**37,638**	34,848
– retirement benefits	**4,097**	3,787
– equity-settled share-based payments included in selling and distribution expenses	**4,529**	7,138
– equity-settled share-based payments included in administrative expenses	**14,063**	15,731
– equity-settled share-based payments included in research and development expenses	**16,804**	15,990
Total staff costs	**77,131**	77,494
Listing expenses	**–**	2,670
Depreciation of property, plant and equipment	**8,048**	6,607
Depreciation of right-of-use assets	**4,720**	5,495
Amortization of intangible assets	**948**	549
Total depreciation and amortization	**13,716**	12,651

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.

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, 2026 ***RMB'000*** **(unaudited)**	For the six months ended June 30, 2025 *RMB'000* (unaudited)
Loss		
Loss for the period attributable to owners of the Company	**(134,004)**	(126,365)

	For the six months ended June 30, 2026 **Shares** ***('000)*** **(unaudited)**	For the six months ended June 30, 2025 Shares *('000)* (unaudited)
Number of shares		
Weighted average number of Ordinary Shares (defined in Note 27 to the Group's annual consolidated financial statements for the year ended December 31, 2025) for the purpose of basic and diluted loss per share	**1,280,086**	1,170,400

The ordinary shares issued to HoldCo which are held under Pre-IPO Share Award Scheme are not treated as outstanding Ordinary Shares and excluded in the calculation of basic loss per share.

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 19 had been effective since January 1, 2025.

For the purpose of calculation of diluted loss per share for the six months ended June 30, 2026 and 2025, 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. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at June 30, 2026 ***RMB'000*** **(unaudited)**	As at December 31, 2025 *RMB'000* (audited)
Trade receivables	**208,152**	143,491
Less: allowance for credit losses	**(55,589)**	(50,346)
	152,563	93,145
Prepayments to suppliers and service providers *(Note i)*	**18,823**	9,687
Receivables from sales of health products	**15,539**	–
Short-term loan receivables *(Notes ii&iii)*	**13,050**	20,853
Rental deposits	**3,921**	3,735
Long-term loan receivables *(Note iii)*	**6,000**	6,000
Value added tax recoverable	**7,565**	3,115
Prepayments for purchase of intangible assets	**11,389**	2,257
Receivables from third party payment platforms	**1,017**	629
Prepayments for purchase of property, plant and equipment	**11,431**	183
Other deposits	**317**	433
Advances to employees/a related party	**1,434**	1,919
Loans to a related party	**1,539**	–
Others	**678**	332
Less: allowance for credit losses	**(8,882)**	–
Total	**236,384**	142,288
Analyzed as:		
Non-current	**32,188**	13,539
Current	**204,196**	128,749
Total	**236,384**	142,288
Trade and other receivables and prepayments denominated in:		
Australian Dollar	**4,839**	–
USD	**–**	14,058
Hong Kong dollar ("**HKD**")	**32,757**	1,585
RMB	**198,788**	126,645
	236,384	142,288

Notes:

i. Included in the prepayments to suppliers and service providers is a prepayment of HKD10,000,000 (equivalent to approximately RMB8,873,000) to a wholly-owned subsidiary of Tokyo Lifestyle Co., Ltd. in March 2026. Pursuant to the Company's announcement dated March 29, 2026, the Company and Tokyo Lifestyle Co., Ltd. have entered into strategic cooperation agreement to expand into Japan and Southeast Asia markets and build integrated artificial intelligence digital health platform for the elderly. The Group expects to invest approximately HKD15 million across areas including personnel, equipment, and systems.

ii. These receivables were short-term loans to third parties, with fixed interest rates from nil to 3.2% per annum, and repayable within one year. The amount is unsecured and unguaranteed.

12. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (CONTINUED)

iii. This receivable was long-term loan to a third party company which is engaged in research and development of treatment of obstructive sleep apnea, with fixed interest rate 2.3% per annum, and repayable in four years for both principal and interest. The amount is unsecured and unguaranteed. In April 2026, the Group provided further loans of RMB2,000,000 to the same party which is repayable within one year and presented in short-term loan receivables. This long-term loan receivables of RMB6,000,000 and the short-term loan receivables of RMB2,000,000 was fully impaired as at June 30, 2026 due to the difficulties in obtaining funding, particularly the unsuccessful application of government grants. The Group is considering to initiate legal actions to recover the balance from this borrower.

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, 2026 ***RMB'000*** **(unaudited)**	As at December 31, 2025 *RMB'000* (audited)
Trade receivables		
0~90 days	**60,690**	34,884
91~180 days	**25,281**	25,237
181~270 days	**24,274**	16,166
271~360 days	**20,792**	6,474
361~720 days	**21,148**	10,384
>720 days	**378**	–
Total	**152,563**	93,145

As at June 30, 2026, included in the Group's trade receivables balance are debtors with aggregate carrying amount of RMB134,719,000(December 31, 2025: RMB78,082,000) which are past due as at the reporting date. Out of the past due balances, RMB78,417,000 (December 31, 2025: RMB47,899,000) has been past due 90 days or more and is not considered as in default because the customers are mainly state-owned hospitals 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.

13. IMPAIRMENT LOSSES (INCLUDING REVERSALS OF IMPAIRMENT LOSSES) ON FINANCIAL ASSETS

	For the six months ended June 30, 2026 ***RMB'000*** **(unaudited)**	For the six months ended June 30, 2025 *RMB'000* (unaudited)
Impairment loss recognised in respect of:		
Trade receivables	**(5,277)**	(9,684)
Other receivables	**(8,882)**	–
	(14,159)	(9,684)

The basis of determining the inputs and assumptions and the estimation techniques used in the condensed consolidated financial statements for the six months ended June 30, 2026 are the same as those presented in the Group's annual financial statements for the year ended December 31, 2025.

14. RESTRICTED BANK DEPOSITS AND BANK BALANCES AND CASH

Restricted bank deposits

	As at June 30, 2026 ***RMB'000*** **(unaudited)**	As at December 31, 2025 *RMB'000* (audited)
Restricted bank deposits for bank borrowings *(Note 18)*	**95,815**	101,026
Others	**84**	167
	95,899	101,193
Restricted bank deposits denominated in:		
USD	**95,815**	101,026
RMB	**84**	167
	95,899	101,193

Restricted bank deposits carried fixed interest rates which range from 0.05% to 3.85% per annum as at June 30, 2026 (2025: 0.05% to 4.23%).

Bank balances and cash

	As at June 30, 2026 ***RMB'000*** **(unaudited)**	As at December 31, 2025 *RMB'000* (audited)
Cash on hand	**42**	42
Bank balances	**451,887**	225,061
Cash and cash equivalents	**451,929**	225,103
Term deposits with original maturity over three months and within one year	**206,507**	205,255
	658,436	430,358
Bank balances and cash denominated in:		
RMB	**299,388**	80,546
HKD	**22,104**	11,582
USD	**336,944**	338,230
	658,436	430,358

15. TRADE AND OTHER PAYABLES

	As at June 30, 2026 ***RMB'000*** **(unaudited)**	As at December 31, 2025 *RMB'000* (audited)
Trade payables	**17,397**	18,759
Accrued salaries and other allowances	**6,176**	9,964
Refund payables *(Note)*	**703**	703
Deposits for the hardware for cognitive training out of hospital	**13,288**	12,707
Payables for acquisition of property, plant and equipment	**3,813**	3,796
Other tax payables	**6,119**	2,302
Payables for research and development activities	**1,967**	1,776
Others	**931**	1,359
	50,394	51,366

Note: In December 2020, the Group terminated certain contracts relate to sales of the System with distributors and a contract related to service for software development. These balances represent refundable prepayments received from distributors and customers 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, 2026 ***RMB'000*** **(unaudited)**	As at December 31, 2025 *RMB'000* (audited)
Trade payables		
within 1 year	**16,525**	18,711
over 1 year	**872**	48
Total	**17,397**	18,759

16. LONG-TERM BOND

	As at June 30, 2026 ***RMB'000*** **(unaudited)**	As at December 31, 2025 *RMB'000* (audited)
Carrying amounts repayable:		
Between two to five years	**208,695**	202,314

In July 2021, BrainAurora Zhejiang entered into a long-term bond subscription agreement and a supplementary agreement with 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 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 (since the Company have been listed on January 8, 2025, the long-term bond will mature on January 8, 2030). 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 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%. 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 and the adjustment of RMB3,263,000 to the carrying amount of the long-term bond is recognized in profit or loss at the date of modification. BrainAurora Zhejiang paid RMB76,680,000 interest in December 2025.

17. CONTRACT LIABILITIES

	As at June 30, 2026 ***RMB'000*** **(unaudited)**	As at December 31, 2025 *RMB'000* (audited)
Research projects	**1,265**	169
Provision of the System integral software solutions in hospitals	**229**	387
Provision of the System integral software solutions out of hospitals	**20,197**	17,251
Other sales	**–**	10
	21,691	17,817

As at January 1, 2025, contract liabilities from customers amounted to RMB10,075,000.

Revenue recognized during the period ended June 30, 2026 related to contract liabilities balance at the beginning of the period amounted to RMB12,859,000.

18. BANK AND OTHER BORROWINGS

	As at June 30, 2026 ***RMB'000*** **(unaudited)**	As at December 31, 2025 *RMB'000* (audited)
Other borrowing *(Note i)*	**6,811**	7,029
Bank borrowings *(Note ii)*	**327,073**	339,060
	333,884	346,089
Bank and other borrowings denominated in:		
USD	**6,811**	7,029
RMB	**327,073**	339,060
	333,884	346,089

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 year ended December 31, 2025, the payment term of the borrowing has been modified to payable no later than December 2027.

ii. All the bank borrowings carried fixed interests and will mature within one year. The interest rate of the bank borrowings as at June 30, 2026 ranged from 2.10% to 3.30% (December 31, 2025: 2.10% to 3.40%) per annum. Bank borrowing of RMB90,323,000 was secured by bank deposits amounted to USD14,068,000 (equivalent to approximately RMB95,815,000) as disclosed in Note 14. The rest of bank borrowings of RMB236,750,000 are unsecured and unguaranteed.

19. 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, 2025 (audited)	499,904,122	49,990
Reclassification of series A-1 preferred shares	95,878	10
Share Subdivision *(Note i)*	499,500,000,000	–
As at June 30, 2025 (unaudited), January 1, 2026 (audited) and June 30, 2026 (unaudited)	500,000,000,000	50,000
Issued and fully paid		
As at January 1, 2025 (audited)	989,288	99
Reclassification of series A-1 preferred shares	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 (unaudited)	1,266,278,000	127
As at January 1, 2026 (audited)	1,266,278,000	127
Issue of shares by way of placing *(Note iii)*	92,000,000	9
As at June 30, 2026 (unaudited)	1,358,278,000	136

	As at June 30, 2026 ***RMB'000*** **(unaudited)**	As at December 31, 2025 *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.

iii. On February 5, 2026, 92,000,000 ordinary shares with par value of USD0.0000001 each of the Company were issued at HKD5.60 per share by way of placing resulting in an increase of the share capital of USD9.2 (equivalent to approximately RMB64). An amount of RMB458,847,000, being the excess of the consideration received of HKD515,200,000 (equivalent to approximately RMB458,847,000) over the par value of the ordinary shares of RMB64), was credited to share premium.

20. 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. In June 2025, 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. On April 15, 2026, the company cancelled 1,856,496 (after Share Subdivision) Awarded Shares held by Dr. Wang Xiaoyi.

On April 15, 2026, the Company granted 3,594,496 Awarded Shares to 12 grantees (including members of the senior management and other employees of the Group). Included in this grant, 542,571 Awarded Shares were granted to one senior management and the remaining 3,051,925 Awarded Shares were granted to other employees. Included in this grant, 807,526 Awarded Shares were vested on the first anniversary of the listing; for the remaining 2,786,970 Awarded Shares, if certain performance and service conditions are met, the Awarded Shares granted shall vest in the following manner: 30% of such Awarded Shares was 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.

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

Category	**Outstanding as at January 1, 2026**	**Cancelled during the period**	**Granted during the period**	**Vested during the period**	**Outstanding as at June 30, 2026**
Pre-IPO Share Award Scheme	**83,428,000**	**(1,856,496)**	**3,594,496**	**(26,676,616)**	**58,489,384**

Category	Outstanding as at January 1, 2025	Granted during the period	Forfeited during the period	Share subdivision	Outstanding as at June 30, 2025
Pre-IPO Share Award Scheme	83,971	–	–	83,887,029	83,971,000

20. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

The fair value of each Award Share on July 31, 2023 was RMB3,222.98 which was determined based on the price of the Company's ordinary shares at the grant date.

The fair value of each granted Award Share on April 15, 2026 was HKD4.19 (equivalent to approximately RMB3.67) 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 RMB35,396,000 in respect of the Pre-IPO Share Award during the six months ended June 30, 2026 (the six months ended June 30, 2025: RMB38,859,000).

21. RELATED PARTY BALANCES AND TRANSACTIONS

a. Name and relationship

Names	**Relationships**
Mr. Tan Zheng	Executive Director of the Company

b. The Group had the following related party transactions and balances with related parties:

Category	**As at January 1, 2026** *RMB'000* (audited)	**Loans to a related party during the period** *RMB'000*	**Repayment during the period** *RMB'000*	**As at June 30, 2026** *RMB'000* (unaudited)
Mr. Tan Zheng	–	1,539	–	1,539

Loans to a related party are unsecured, interest free and repayable on demand.

Category	**As at January 1, 2026** *RMB'000* (audited)	**Advance to a related party during the period** *RMB'000*	**Settlement during the period** *RMB'000*	**As at June 30, 2026** *RMB'000* (unaudited)
Mr. Tan Zheng	–	750	750	–

Category	**As at January 1, 2025** *RMB'000* (audited)	**Advance to a related party during the period** *RMB'000*	**Settlement during the period** *RMB'000*	**As at June 30, 2025** *RMB'000* (unaudited)
Mr. Tan Zheng	2,059	–	2,059	–

21. RELATED PARTY BALANCES AND TRANSACTIONS (CONTINUED)

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, 2026 ***RMB'000*** **(unaudited)**	For the six months ended June 30, 2025 *RMB'000* (unaudited)
Short-term employee benefits	**6,893**	7,378
Retirement benefits	**105**	156
Equity-settled share-based payments	**18,449**	32,470
	25,447	40,004

22. CAPITAL COMMITMENTS

	As at June 30, 2026 ***RMB'000*** **(unaudited)**	As at December 31, 2025 *RMB'000* (unaudited)
Capital expenditure contracted but not provided for in respect of acquisition of equipment and machineries and leasehold improvements	**280**	392

23. EVENT AFTER THE REPORTING PERIOD

There is no significant event after the reporting period.

I. CORPORATE GOVERNANCE AND OTHER INFORMATION

Interim dividend

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

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

On January 23, 2026 (before trading hours), the Company, ZTan Limited (the "**Seller**") and Guotai Junan Securities (Hong Kong) Limited (the "**Placing Agent**") entered into a placing and subscription agreement (the "**Placing and Subscription Agreement**"). On January 27, 2026, the Company completed the placing of 92,000,000 placing Shares in accordance with the terms and conditions of the Placing and Subscription Agreement, where an aggregate of 92,000,000 placing Shares were successfully placed by the Placing Agent, on a best effort basis, to not less than six (6) placees, at the placing price of HK$5.6 for each placing Share (the "**Top-up Subscription**"). On February 5, 2026, as all conditions for the completion of the Top-up Subscription had been fulfilled, the Company allotted and issued 92,000,000 Top-up Subscription Shares to the Seller at HK$5.6 per Top-up Subscription Share under general mandate in accordance with the terms and conditions of the Placing and Subscription Agreement. The newly issued shares represented approximately 7.27% of issued Shares prior to completion, and approximately 6.77% of issued Shares immediately after completion of the Top-up Subscription. The net proceeds from the Top-up Subscription amounted to approximately HK$500.68 million.

Save as disclosed above, 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 (as defined in the Listing Rules)) during the Reporting Period. As at June 30, 2026, the Company did not hold any treasury shares.

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 the code provisions as set out in the Corporate Governance Code contained in Appendix C1 to the Listing Rules as its own code of corporate governance. The Directors are of the view that during the Reporting Period, the Company has fully complied with all applicable code provisions as set out in Part 2 of the Corporate Governance Code.

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 Reporting Period. 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 Reporting Period.

Subsequent Event

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

Material Litigation

The Company was not involved in any material litigation or arbitration during the Reporting Period 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 January 1, 2026, and up to the date of this announcement which could have a material and adverse effect on our financial condition or results of operations.

Use of Proceeds from the Global Offering and Placing

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 of the Company dated December 30, 2024 (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 actual use of the net proceeds from the Listing and their expected timeframe of full utilization.

	Percentage of the total net proceeds	Net proceeds from the Global Offering *(HK$ in million)*	Actual utilized amounts as at the end of the Reporting Period *(HK$ in million)*	Unutilized amount as at the end of the Reporting Period *(HK$ in million)*	Expected timeframe for full utilization
Conducting further R&D activities, advancing clinical trials for more indications, and advancing selling and distribution activities of our Core Product, the System;	40.0%	200.5	200.5	0	N/A
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;	16.5%	82.7	82.7	0	N/A
Strengthening our capabilities in AI and related technologies;	15.0%	75.2	75.2	0	N/A
Accelerating the research, development and commercialization of other product candidates in and beyond our current product pipeline;	5.0%	25.1	8.61	16.49	By December 31, 2026
Brain science and DTx research centers in collaboration with academic institutions and hospitals; and	15.0%	75.2	43.52	31.68	By December 31, 2027
Working capital and other general corporate purposes	8.5%	42.6	37.88	4.72	N/A
Total	**100.0%**	**501.3**	**448.41**	**52.89**	

The expected timeframe for utilizing the remaining proceeds is based on the best estimation of the future progress of business expansion and market conditions made by the Company. It will be subject to change based on the current and future development of market conditions.

The Company intends to use the net proceeds of the Top-up Subscription (a) to fund research and development initiatives; (b) for domestic and international market development; (c) for strategic investments and acquisitions; and (d) to supplement the working capital of the Company and its subsidiaries for general corporate purposes. For the detailed breakdown and description of the intended use of the proceeds from the top-up subscription and other details, please refer to the announcements of the Company dated January 23, 2026, January 27, 2026, and February 5, 2026.

As at June 30, 2026, the Company utilized a total of approximately HK$55.34 million of the proceeds. The following table sets forth a summary of the actual use of the net proceeds from the Top-up Subscription and their expected timeframe of full utilization.

	Percentage of the total net proceeds	**Net proceeds from the Top-up Subscription** *(HK$ in million)*	**Actual utilized amounts as at the end of the Reporting Period** *(HK$ in million)*	**Unutilized amount as at the end of the Reporting Period** *(HK$ in million)*	**Expected timeframe for full utilization**
To fund research and development initiatives;	50.0%	250.34	27.6	222.74	By September 30, 2027
For domestic and international market development;	30.0%	150.20	27.74	122.46	By June 30, 2027
For strategic investments and acquisitions; and	10.0%	50.07	0	50.07	By June 30, 2027
To supplement the working capital of the Company and its subsidiaries for general corporate purposes.	10.0%	50.07	0	50.07	By December 31, 2026
Total	**100.0%**	**500.68**	**55.34**	**445.34**	

The expected timeframe for utilizing the remaining proceeds is based on the best estimation of the future progress of business expansion and market conditions made by the Company. It will be subject to change based on the current and future development of market conditions.

Audit Committee and Auditor

As at the date of this announcement, the audit committee of the Board (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), Dr. Duan Tao (段濤) and Mr. Tu Lei (涂雷), with terms of reference in compliance with the Listing Rules.

The Audit Committee has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended June 30, 2026 and discussed matters with respect to the accounting policies and practices adopted by the Company with senior management members and the Group's auditor, Messrs. Deloitte Touche Tohmatsu. The condensed consolidated financial statements of the Group for the six months ended June 30, 2026 have been reviewed by Messrs. Deloitte Touche Tohmatsu, in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the International Accounting Standards Board.

Publication of Interim Results Announcement and Interim Report

This announcement is published on the websites of the Stock Exchange (**www.hkexnews.hk**) and the Company (**66nao.cn**).

The interim report for the Reporting Period containing all the information required by the Listing Rules will be published on the websites of the Stock Exchange and the Company in due course and dispatched to the Shareholders (if necessary).

CAUTIONARY LANGUAGE REGARDING FORWARD-LOOKING STATEMENTS

All statements in this announcement 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 announcement.

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

Hong Kong, August 28, 2026

As at the date of this announcement, the Board comprises: (i) Mr. Tan Zheng as executive director; (ii) Mr. Deng Feng, Mr. Yang Fan and Ms. Wang Jingbo as non-executive directors; and (iii) Mr. Lam Yiu Por, Dr. Duan Tao and Mr. Tu Lei as independent non-executive directors.