



杭州启明医疗器械股份有限公司

Venus Medtech (Hangzhou) Inc.

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

Stock Code: 2500



2026
INTERIM REPORT



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Corporate Information

(As of June 30, 2026)

Name in Chinese:	杭州啓明醫療器械股份有限公司
Name in English:	Venus Medtech (Hangzhou) Inc.
Legal representative:	Mr. Lim Hou-Sen (Lin Haosheng)
Chairman:	Mr. Ting Yuk Anthony Wu
Registered capital:	RMB441,011,443
Headquarters in the PRC:	
Registered office address:	Room 311, 3/F, Block 2, No. 88, Jiangling Road, Binjiang District, Hangzhou, PRC
Company website:	http://www.venusmedtech.com/
E-mail:	inquiry@venusmedtech.com
Principal place of business in Hong Kong:	40/F, Dah Sing Financial Centre, No. 248 Queen's Road East, Wanchai, Hong Kong
Board of Directors:	
Executive Directors¹	Mr. Lim Hou-Sen (Lin Haosheng) and Ms. Meirong Liu
Non-executive Directors	Mr. Ao Zhang and Mr. Wei Wang
Independent non-executive Directors	Mr. Ting Yuk Anthony Wu, Mr. Chi Wai Suen and Mr. John Junhua Gu
Supervisors:	Mr. Changxi Zhang, Mr. Yixiang Xu and Mr. Jianmin Tao
Audit Committee:	Mr. Chi Wai Suen (<i>Chairman</i>), Mr. Ting Yuk Anthony Wu and Mr. John Junhua Gu
Remuneration and Assessment Committee:	Mr. Ting Yuk Anthony Wu (<i>Chairman</i>), Mr. Chi Wai Suen and Mr. John Junhua Gu

Corporate Information

(As of June 30, 2026)

Nomination Committee:	Mr. John Junhua Gu (<i>Chairman</i>), Mr. Chi Wai Suen, Mr. Ting Yuk Anthony Wu and Ms. Meirong Liu
Company Secretary:	Ms. Yip Chui Mei
Authorized Representatives:	Ms. Yip Chui Mei and Ms. Liu Meirong
Legal Adviser to Hong Kong Law:	Davis Polk & Wardwell 10th Floor, The Hong Kong Club Building 3A Chater Road, Hong Kong
Auditor engaged by the Company:	ZHONGHUI ANDA CPA Limited <i>Certified Public Accountants and Registered Public Interest Entity Auditor</i>

¹ Mr. Liqiao Ma has resigned as an executive Director due to other personal commitments with effect from May 15, 2026.

Financial Summary

	Six months ended June 30, 2026 (Unaudited) RMB'000	Six months ended June 30, 2025 (Unaudited) RMB'000	Period-to- period change
Revenue	135,498	187,137	-27.6%
Gross profit	93,521	137,988	-32.2%
Loss before tax	(194,644)	(138,564)	40.5%
Loss for the period	(191,308)	(134,772)	41.9%
Loss attributable to owners of the parent	(191,308)	(134,772)	41.9%
Loss per Share attributable to ordinary equity holders of the parent Basic and diluted	RMB(0.44)	RMB(0.31)	41.9%
Non-IFRS measures*			
Non-IFRS EBITDA ¹	(140,959)	(82,024)	71.9%
Non-IFRS commercialization profit ²	8,282	30,363	-72.7%
Non-IFRS commercialization profit margin ²	6.1%	16.2%	-10.1 percentage points

* This item is neither required under IFRS nor presented in the consolidated financial statements. For further details, please refer to "Financial Review – Non-IFRS Measures" in this report.

¹ Non-IFRS EBITDA represents earnings/(loss) before interest, tax, depreciation and amortization.

² Non-IFRS commercialization profit represents gross profit after deducting (i) selling and distribution expenses; and (ii) charitable donations. Non-IFRS commercialization profit margin represents commercialization profit divided by revenue. These indicators are used to measure the Company's commercialization capability.

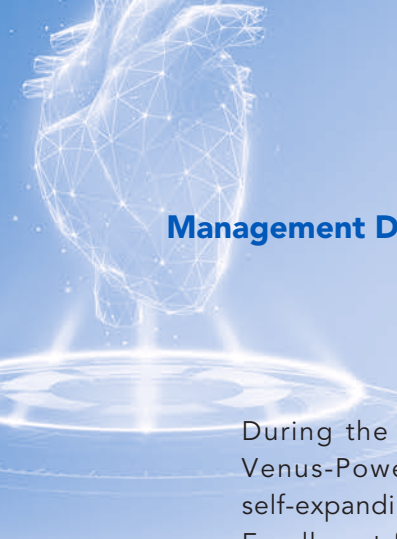
Management Discussion and Analysis

I. BUSINESS REVIEW

Overview

Founded in 2009, the Company has grown into a global platform company engaged in innovative medical devices that integrate R&D, clinical development, manufacturing and commercialization. We are committed to becoming a global leader in the field of structural heart disease, and continue to seek effective treatment options for major diseases that seriously threaten human health. We have developed a product portfolio covering interventional devices for valvular heart diseases, including transcatheter aortic valve replacement (TAVR), transcatheter pulmonary valve replacement (TPVR), transcatheter mitral valve replacement (TMVR), transcatheter tricuspid valve replacement (TTVR) and other procedural accessories, allowing us to provide full-scenario overall solutions for physicians and patients.

In the first half of 2026, the Company's globalisation strategy continued to deliver results. Facing challenges including the restructuring of the domestic TAVR industry pricing system and the slowdown in the growth of terminal procedure volumes for the aortic stenosis indication, the Company leveraged its differentiated innovative pipeline and global presence to achieve overseas revenue of RMB50.7 million, representing a year-on-year increase of 24.6%, with its contribution to total revenue increasing to 37.4%. Among them, the overseas market for the TPVR product, VenusP-Valve, maintained steady growth. During the Reporting Period, overseas valve sales exceeded 530 units, representing a year-on-year increase of 23.3%. As at the date of this report, the product had been commercialised in nearly 70 countries and regions across Europe, North America, the Middle East, Southeast Asia and Latin America. During the first half of the year, it successfully entered three new countries, being Israel, Peru and Vietnam, with cumulative admissions into over 350 hospitals. 50 overseas hospitals were newly covered during the first half of the year, further strengthening its global brand influence.



Management Discussion and Analysis

During the same period, several core pipeline products entered the harvest phase. Venus-PowerX, the Company's self-developed, next-generation TAVR product, is a self-expanding dry-tissue product capable of achieving 100% full release and full retrieval. Enrollment for its pivotal clinical trial in China has been fully completed, and the trial is currently in the patient follow-up phase. The Company plans to simultaneously advance the EU MDR CE certification for this product, with the clinical data from China as the core support, to expand its global registration layout in an orderly manner. Venus-Vitae, another self-developed next-generation TAVR product of the Company, as a balloon-expandable dry-tissue valve product, has achieved its first clinical application in China. The product has potential advantages in valve durability, delivery system performance and procedural precision, providing more personalised solutions for patients with different anatomical structures. For the TPVR product VenusP-Valve, enrollment for its pivotal US IDE clinical trial has passed the halfway mark, and full enrollment is expected to be completed by the end of this year, as the Company accelerates the registration effort for the world's last core market. The MDR CE certification review for the TTVR product Cardiovalve is progressing in an orderly manner as planned. The product adopts a transfemoral venous access approach and can accommodate tricuspid annulus sizes of up to 55 mm, making it suitable for approximately 95% of patients with tricuspid regurgitation. In May this year, the Congress of European Association of Percutaneous Cardiovascular Interventions (EuroPCR 2026) presented for the first time the full-cohort clinical results of Cardiovalve for the treatment of severe tricuspid regurgitation. The data demonstrated that it met both the primary performance endpoint and the primary safety endpoint, with sustained clinical benefits observed over a two-year follow-up period.

Going forward, the Company will further deepen its presence in the structural heart disease sector, launching a broader portfolio of innovative products that address diverse clinical needs by capitalising on continued advances in new technologies and materials, and remaining firmly committed to expanding its global footprint to build momentum for long-term, high-quality development.

Business Highlights

Financial Performance

In the first half of 2026, the Company recorded revenue of approximately RMB135.5 million. In the domestic market, revenue contribution decreased due to factors including the restructuring of the TAVR industry pricing system and the slowdown in the growth of terminal procedure volumes for the aortic stenosis indication. During the Reporting Period, more than 1,700 domestic valve implantations were completed with the business network covering more than 770 hospitals nationwide on a cumulative basis. Meanwhile, the overseas market maintained steady growth, achieving overseas revenue of RMB50.7 million, representing a year-on-year increase of 24.6%, with its contribution to total revenue increasing to 37.4%. Total overseas valve sales exceeded 530 units.

Overseas Business: Deepening Global Presence with Steady Expansion of the Commercial Footprint of VenusP-Valve

VenusP-Valve, as the Company's flagship product underpinning its globalisation strategy, as at the date of this report, has achieved commercialisation in nearly 70 countries and regions across Europe, North America, the Middle East, Southeast Asia and Latin America, with cumulative admissions into over 350 hospitals. During the Reporting Period it successfully entered three new countries, being Israel, Peru and Vietnam, with 50 new overseas hospitals covered.

VenusP-Valve is a pulmonary valve product with differentiated design advantages, and is the first self-expanding TPVR product approved for marketing in Europe. The Company has accumulated more than ten years of clinical application experience in China and more than five years of clinical data in Europe. Long-term follow-up data continues to validate the safety and efficacy of the product. Leveraging its global sales network covering Europe, the Middle East, Southeast Asia and Latin America, the Company continues to deepen its penetration into overseas markets, providing support for the subsequent overseas expansion of its innovative TAVR and TTVR products.



Management Discussion and Analysis

Domestic TAVR Business: Intensified Competition and Orderly Advancement of the Next-generation Product Layout

During the Reporting Period, the systematic restructuring of the terminal pricing system in the domestic TAVR industry, the slowdown in growth of terminal procedure volumes for the aortic stenosis indication, and intensifying market competition have pressured the Company's domestic TAVR business. Coupled with the fact that the same period last year was in a period of marketing model transformation, the year-on-year decline was further amplified.

Despite the challenging industry environment, the Company continued to leverage its extensive experience and accumulated clinical data in its TAVR and TPVR product lines to advance its domestic network development and marketing activities. During the Reporting Period, approximately 70 new hospitals were added to its domestic coverage, bringing the cumulative total to over 770 hospitals nationwide. The Company is advancing the layout of its next-generation TAVR product in an orderly manner, with Venus-PowerX and Venus-Vitae expected to provide long-term support for the Company's domestic TAVR market development.

Core Pipeline: Advancing Across Three Major Areas with Domestic and Overseas Registrations Progressing in Parallel

The Company continued to advance its registration and clinical development both in China and overseas, with various core products across the three major areas of TAVR, TPVR and TTVR making steady progress.

Venus-PowerX, the Company's self-developed and next-generation TAVR product, adopts 100% fully releasable and retrievable self-expanding dry-tissue valve technology. Patient enrollment for its pivotal clinical trial in China has been fully completed, and the product is currently in the patient follow-up stage. The Company plans to simultaneously support the product's EU MDR CE certification with clinical data from China. Venus-Vitae, another self-developed and next-generation TAVR product of the Company, is a balloon-expandable dry-tissue valve product that has achieved its first clinical application in China. It is complementary to the self-expanding product, Venus-PowerX, in terms of technological approach and can provide more personalised solutions for patients with different anatomical structures.

Management Discussion and Analysis

During the Reporting Period, enrollment for the pivotal US IDE clinical trial of VenusP-Valve passed the halfway mark, with full enrollment expected to be completed by the end of this year. As the U.S. is the world's largest single market for medical devices, registration approval of the product will further expand its global layout.

The MDR CE certification review for Cardiovalve is progressing as planned. The product adopts a transfemoral venous access approach and can accommodate annulus sizes of up to 55 mm, making it suitable for approximately 95% of patients with tricuspid regurgitation. In May of this year, EuroPCR 2026 presented for the first time the full-cohort clinical results of Cardiovalve for the treatment of severe tricuspid regurgitation. The data demonstrated that it met both the primary performance endpoint and the primary safety endpoint, with sustained clinical benefits observed over a two-year follow-up period.

The steady progress of the above products marks the Company's expansion from a single TAVR product focus into the field of comprehensive valve therapies for structural heart disease, covering the three major indications of the aortic valve, pulmonary valve and tricuspid valve. As key products such as Venus-PowerX, Venus-Vitae and Cardiovalve continue to advance towards market entry, the pipeline synergies of the platform-based business are gradually becoming apparent and are expected to provide sustained momentum for the Company's medium- to long-term growth.

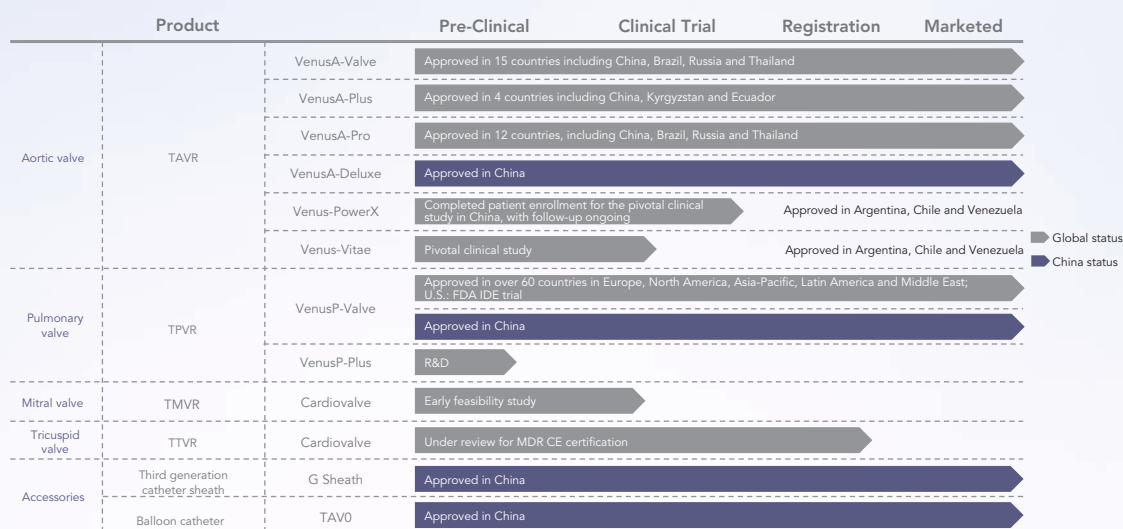
Technological Innovation

During the Reporting Period, the project entitled "Key Technological Innovations in Precision Interventional Diagnosis and Treatment of Major Cardiovascular Diseases", in which the Company participated, was awarded the Second Prize of the National Science and Technology Progress Award. The Company was also presented with the "Cardiovascular Innovative Device Award" at the Second Global Cardiovascular Conference in 2026.

Management Discussion and Analysis

Products and Pipeline

As a pioneer in the field of transcatheter valve intervention, the Company has built a comprehensive product portfolio encompassing interventional devices and ancillary consumables for the aortic valve, pulmonary valve, mitral valve and tricuspid valve. As at the date of this report, the Company has a total of seven products approved for marketing in China (VenusA-Valve, VenusA-Plus, VenusA-Pro, VenusA-Deluxe, VenusP-Valve, G Sheath and TAV0), one product (VenusP-Valve) that has received MDR CE certification in the European Union, two products (Venus-PowerX and Venus-Vitae) that have obtained marketing approval in Latin America, and a number of product candidates at various development stages. The chart below provides an overview of the development status of the Company's products and product candidates as at the date of this report.



Aortic Valve Products

VenusA Series

VenusA-Valve is the first-generation transcatheter aortic valve replacement (TAVR) system independently developed by the Company, specifically designed for the treatment of severe aortic stenosis. The product received marketing approval from NMPA in April 2017, making it the first TAVR product to be approved for commercial launch in China.

The registered clinical trial of VenusA-Valve was a prospective, multi-center, single-arm study, enrolling a total of 101 subjects. Following market launch, the Company has continued to advance the long-term follow-up study of its registered clinical trial, and published ten-year follow-up results in 2025. Key follow-up data showed that: in terms of safety, the cardiac mortality rate was only 17.5%; in terms of efficacy, peak flow velocity, mean transvalvular pressure gradient and left ventricular ejection fraction were maintained at normal levels over the long term with good stability, and over 90% of patients had no/trace/mild paravalvular regurgitation post-procedure; in terms of durability, the incidence of valve thrombosis at ten years post-procedure was 0%, and the valve deterioration rate was 12.87%, with the longest-followed patient having completed 13 years of post-procedure follow-up with normal valve function. The above data strongly validates the superior performance and long-term durability of VenusA-Valve.

VenusA-Plus, the second-generation TAVR product independently developed by the Company, received marketing approval from the NMPA in November 2020, making it the first retrievable TAVR product approved in China. Building on the strong radial support force of the first-generation valve, the product incorporates retrievable and repositionable functionality, effectively reducing procedural complexity and significantly shortening the learning curve. The five-year clinical trial follow-up results for VenusA-Plus demonstrated an all-cause mortality rate of only 29%, with no additional cardiac-related deaths, and a valve thrombosis rate of 0%, strongly validating the product's safety, efficacy and design advantages. The "retrieval" function effectively improves procedural success rates without causing additional safety risks, and reports equally excellent long-term follow-up results for patients with both bicuspid and tricuspid valves.

VenusA-Pro received marketing approval from the NMPA in May 2022 as an upgraded version of VenusA-Plus. It ensures radial force while providing improved cross-aortic arch performance with its capsule head made of super-elastic material, therefore enhancing procedural operability. Its commissural alignment marks provide to give adequate protection to the coronary arteries, reserving space for future coronary artery interventions. As of the date of this report, VenusA-Pro has obtained approvals in 12 overseas countries, including Brazil, Russia and Thailand.



Management Discussion and Analysis

VenusA-Deluxe is the latest TAVR product in the VenusA series and received marketing approval from the NMPA in November 2024. It builds on previous products by further optimizing and upgrading the delivery system, and applies the stepwise compression of the valve, which effectively reduces the incidence of folding during the valve loading phase. The unique axial imaging markers for commissural alignment provide full protection for the coronary arteries, and materials and structure of the delivery system have been fully optimised, making the overall delivery and release process more stable and safe.

Venus-PowerX

Venus-PowerX is the Company's first self-developed self-expanding dry-tissue TAVR product capable of achieving 100% full release and full retrieval. The product has achieved breakthrough innovations in several key technologies. It adopts Venus-Endura dry-tissue technology, integrating multiple anti-calcification technologies, decellularisation technology and three-dimensional force-controlled drying processes, significantly enhancing valve durability, biocompatibility and anti-calcification performance, while enabling dry-state storage of the valve. The unique wire-control mechanism, together with the valve frame design, enables the valve to be fully retrieved even after 100% complete release, allowing physicians to assess the valve position after full expansion and, where necessary, retrieve and reposition the valve to optimise implantation depth and reduce the risks of valve migration or embolisation. The world's first adaptive active anti-PVL skirt Seadapt can adjust the skirt adaptively to fill the perivalvular space and promote the combination of vascular tissue and the skirt, thereby effectively reducing paravalvular leakage. The frame employs a unique design with three large V-shaped openings, coordinated with the direction of entry of the delivery system, effectively preserving coronary access for future interventions.

In July this year, Venus-PowerX successfully completed patient enrollment for its pivotal clinical trial in China. With the clinical study data as the core support, the Company will simultaneously advance the EU MDR CE certification and application for registration from NMPA in China, accelerating the commercialisation of the product in both domestic and overseas markets.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET VENUS-POWERX SUCCESSFULLY (EXCEPT FOR ARGENTINA, CHILE AND VENEZUELA).

Venus-Vitae

Venus-Vitae is the Company's first self-developed balloon-expandable dry-tissue TAVR product, equipped with the self-developed Venus-Endura dry-tissue technology. Its advanced anti-calcification treatment process significantly improves the durability of the valve, while its three-dimensional force-controlled dehydration technology enables valve dehydration without glutaraldehyde for preservation, improving safety while simplifying storage and transportation requirements. Its delivery system is uniquely designed with the patented wire-lock technology, which effectively secures the valve during in vitro loading and prevents balloon displacement during procedures. It integrates multiple functions, including steerability, balloon coaxial rotation and axial fine adjustment, enabling precise intraoperative control and filling a market gap where similar products lack a coronary alignment delivery system. The valve is equipped with the world's first adaptive, active anti-PVL skirt, Seadapt, with high compression ratio, self-expansion and high resilience, which can adjust the skirt thickness adaptively to fill the perivalvular space, effectively reducing the risk of paravalvular leakage.

In April this year, Venus-Vitae achieved its first clinical application in China, and the Company is accelerating the clinical development of the product.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET VENUS-VITAE SUCCESSFULLY (EXCEPT FOR ARGENTINA, CHILE AND VENEZUELA).



Management Discussion and Analysis

Pulmonary Valve Product

VenusP-Valve, our independently developed transcatheter pulmonary valve replacement (TPVR) system, obtained EU MDR CE certification and marketing approval from the NMPA in China in 2022. It is the first self-expanding TPVR product approved in Europe and the first approved TPVR product in China, thereby filling a gap in this field both in China and overseas.

With its excellent clinical performance, VenusP-Valve has accumulated extensive clinical data, characterised notably by its ultra-long follow-up time. In May 2026, the 20th Oriental Congress of Cardiology (OCC 2026) presented the 10-year follow-up results of the product's registration clinical trial in China. The data showed that the 10-year cumulative survival rate exceeded 90%, with no additional deaths reported, and the incidence of major adverse cardiovascular events remained below 10%. No moderate or severe paravalvular leakage was observed, and there was no structural valve deterioration. The incidence of functional impairment and valve failure was 0%, providing robust validation of the product's long-term safety and durability. Currently, the 11- to 15-year ultra-long-term follow-up study has been fully initiated, further strengthening the product's evidence-based clinical advantages.

The Company is actively advancing the IDE pivotal clinical study of VenusP-Valve in the U.S. As of the date of this report, more than half of the patients required for the clinical study have been enrolled, and the enrollment is expected to be fully completed by the end of this year. We will make every effort to facilitate the marketing approval of VenusP-Valve in the U.S., further expanding its global commercialisation footprint.

Transcatheter Mitral and Tricuspid Valve Replacement Products

Cardiovalve

Cardiovalve is an independently developed transcatheter interventional replacement product applicable to both mitral regurgitation and tricuspid regurgitation. Compared with similar products, its transfemoral venous approach significantly improves treatment safety.

In respect of the mitral regurgitation indication, Cardiovalve has entered the clinical research stage in Europe. In respect of the tricuspid regurgitation indication, the product has successfully completed the follow-up of its pivotal clinical trial in Europe and is under registration review for MDR CE certification. Utilising a transfemoral venous approach, the product significantly improves treatment safety; its large valve profile design of up to 55mm can cover approximately 95% of the patient population; the unique short stent design effectively reduces the risk of ventricular outflow tract obstruction; and the procedure is concise, requiring only three steps: positioning, anchoring, and release, demonstrating favourable safety and highly repeatable.

In May 2026, the 30-day full-cohort clinical data of Cardiovalve TARGET study made its global debut in the "Late-Breaking Trials" session at EuroPCR 2026. Safety results demonstrated an all-cause mortality rate of 5.7%, a heart failure rehospitalisation rate of 2.5%, and a re-intervention rate of 3.8%, with low incidences of major adverse cardiac events, disabling stroke, and acute kidney injury events requiring new-onset renal replacement therapy. Efficacy results revealed significant improvements in regurgitation severity, cardiac function classification, and quality-of-life indicators among patients, as well as structural remodelling of the right heart system and effective offloading of volume overload. At 30 days post-operation, 97.8% of patients exhibited no moderate or severe regurgitation. In terms of NYHA cardiac function improvement, the 30-day data indicated that approximately 89.4% of patients improved to Class I/II, and approximately 88% of patients improved to Class I/II at one year post-operation. Regarding the quality of life, the patients' average Kansas City Cardiomyopathy Questionnaire (KCCQ) score increased by 13 points at 30 days on average and by 17 points at one year on average.



Management Discussion and Analysis

The TARGET study, a global multi-center clinical trial of the Cardiovalve transcatheter tricuspid valve replacement system, adopts a prospective, single-arm, and multi-center design, primarily evaluating the safety and clinical performance of the product. The study enrolled a total of 157 patients from over 25 internationally renowned cardiovascular centers in countries including Germany, Spain, France, Canada, and the United Kingdom, and has completed the one-year follow-up of the registration clinical trial. The review and assessment for the EU MDR CE marking registration are progressing in an orderly manner as scheduled, and the preparation for commercialisation has commenced concurrently.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET CARDIOVALVE SUCCESSFULLY.

R&D Innovation

Innovation is the core driving force of the Company. Adhering always to clinical needs as our guidance, the Company deepens its presence in the field of interventional therapy for structural heart disease, accelerates the implementation of innovative achievements, and realises global value. By fully integrating internal independent innovation capabilities with deep industry-academia-research cooperation, the Company continuously promotes the iterative upgrade of its interventional heart valve product line and actively explores future platform technologies for valve optimisation.

The Company relies on its three R&D centres located in Hangzhou, China, Tel Aviv, Israel and Irvine, California, USA, fully leveraging the advantages of each region to form an efficient and collaborative global R&D network, providing strong technical support for the update and expansion of the product line. To further enhance innovation efficiency, the Company has optimised and upgraded its innovation strategy, transitioning from internal innovation to internal and external collaborative innovation. The Company actively expanded cooperation with third parties in the field of interventional treatment for structural heart diseases. Through various models such as commercialisation cooperation, channel cooperation, and product acquisition, the Company accelerates the introduction of innovative technologies and products, refines its product matrix, further enriching its product pipeline and enhancing market competitiveness.

During the Reporting Period, the Company continuously optimised its innovation research and development system, focused on its advantageous pipelines, and maintained high R&D investment. For the six months ended June 30, 2026 and June 30, 2025, the Company's R&D costs were RMB128.7 million and RMB120.9 million respectively.

Intellectual Property

The Company attaches great importance to intellectual property of our products and protection of patents. Leveraging its strong R&D capability, as of June 30, 2026, the Company was newly granted 17 patents, and it had a total of 939 patents and patents applications, including 790 invention patents, 115 utility model patents and 34 design patents, 546 authorized invention patents. The Company had 454 patents under application and authorised in the PRC, including 326 authorised patents; the Company had 478 patents applications and authorised overseas, including 367 authorised patents and 7 PCT applications. Our intellectual property portfolio mainly covers China, the U.S. and Europe, as well as other countries and regions.

During the Reporting Period, the Zhejiang Provincial Administration for Market Regulation (Intellectual Property Office) officially announced the award list for “Provincial Intellectual Property Award”, and the Company won the First Prize of the Intellectual Property Award. This award is the highest government award in the field of intellectual property in Zhejiang Province, representing a full recognition of the Company’s strategy of “technological innovation + patent protection”.

Intellectual property rights and core technological barriers are important cornerstones for the Company’s globalisation and commercialisation. During the Reporting Period, the Company continuously strengthened the patent layout of its core technologies to construct a high-barrier global patent protection network. In response to the patent infringement behaviour of an overseas industry giant suspected of infringing upon the core patents of Cardiovalve, a wholly-owned subsidiary of the Company, Cardiovalve Ltd., jointly with MTH IP, L.P., initiated a patent infringement lawsuit in the U.S. District Court for the District of Delaware on January 14, 2026 (Case No. 1:26-cv-00037), alleging that the core product of the relevant defendants, the PASCAL Precision transcatheter valve repair system, infringed upon the U.S. Patent No. 10,702,385 owned by Cardiovalve. Previously, this patent had been reviewed by the U.S. Patent Trial and Appeal Board (PTAB) in relevant patent invalidation challenge proceedings, and was confirmed and maintained through relevant proceedings by the U.S. Court of Appeals for the Federal Circuit (CAFC). Currently, the case is still at the trial stage, and there is uncertainty regarding the final outcome and its potential economic impact. The Company will continue to prudently follow up and fulfill its information disclosure obligations in a timely manner.



Management Discussion and Analysis

Manufacturing

The Company possesses advanced production facilities constructed in accordance with international standards, and has comprehensive capabilities in processes, manufacturing, quality management, and supply chain. To further enhance the competitiveness and operational efficiency of the Company's production system and to support the implementation of the Company's strategies, the Company continuously deepened the resource integration and lean transformation on the production side. Benchmarking against international quality standards, the Company comprehensively promoted the international certification of its quality management system, and systematically built an efficient and compliant global supply chain system, thereby laying a compliance foundation for the global expansion of its products and providing sufficient capacity support for the continuously expanding product pipeline.

The Company has a clean production zone of approximately 3,500 square metres in Hangzhou for manufacturing its heart valve products and product candidates. Our manufacturing facilities comply with the GMP requirements in the U.S., the EU and the PRC and follow rigorous manufacturing and quality control standards to ensure high product quality and safety standards.

The Company has established an international quality management system in accordance with ISO13485, GMP of NMPA in China, QSR of the FDA in the U.S., MDR of the EU, RDC of ANVISA in Brazil, MDSAP, ISO/IEC17025 and other regulations and standards. As of the date of this report, the Company has obtained an ISO13485 system certificate, an MDR system certificate of the EU, an MDSAP quality system certificate (covering the regulatory requirements of quality systems of the U.S., Japan, Canada, Australia and Brazil), a China production licence, a Brazil BGMP certificate, a CNAS laboratory accreditation certificate, and is also a training base unit for medical device inspectors in Hangzhou. Leveraging the establishment and maintenance of a high-standard and strict quality management system, the Company imposes quality control on products throughout the life cycle, from R&D to marketing and sales, so as to ensure the quality of products.

Commercialisation

The overseas business sustained its steady growth momentum, with its business scale expanding steadily and its global brand influence continuously consolidated. In the first half of 2026, its overseas sales volume of valve products exceeded 530 units, representing a year-on-year increase of approximately 23.3%. The sales revenue from overseas markets was RMB50.7 million, representing a year-on-year increase of 24.6%, and the proportion of overseas revenue to the Company's total revenue further increased to 37.4%. Among them, VenusP-Valve, as the core product of the overseas business, has achieved commercialization in nearly 70 countries and regions including Europe, North America, the Middle East, Southeast Asia and Latin America, with cumulative admissions into over 350 hospitals, reflecting an increasingly refined global commercialisation network.

The Company actively participated in top international academic conferences such as EuroPCR 2026, the Annual Meeting of AEPC 2026, the German Society for Paediatric Cardiology and Congenital Heart Defects (DGPK 2026), LATAM Valves Plus TCT 2026, the Spanish Coronary Structural Course (CSC 2026), and CSI Frankfurt 2026, so as to continuously enhance product recognition among overseas physicians and global brand influence.

In respect of the domestic market, the competition within the transcatheter heart valve industry continued to intensify. Coupled with the impact of the downward adjustment of online listing prices for TAVR products, the Company's domestic business was under pressure. As of June 30, 2026, the Company completed a total of approximately 1,700 units of terminal implantation volume in the domestic market; its total coverage of hospitals had reached over 770 nationwide, with more than 70 newly covered and the channel network maintained a steady expansion.

In response to the domestic market challenges, the Company has adopted active countermeasures: establishing a dedicated domestic marketing team for VenusP-Valve pulmonary valves in the first half of 2026 to accelerate the commercialisation and clinical popularisation of TPVR product in the domestic market; continuously optimising the distributors management system to strengthen market development and intraoperative support capabilities; and integrating domestic and international resources to leverage the synergy of domestic and overseas markets, thereby satisfying diverse clinical needs.



Management Discussion and Analysis

In the domestic market, the Company possesses a professional and highly experienced commercialisation team, which is dedicated to providing physicians and patients with full-process services ranging from pre-operative screening and diagnosis, intraoperative procedure support, to post-operative follow-up. The Company will continuously enhance the popularisation and accessibility of TAVR technology, and assist hospitals in improving the clinical application transformation rate.

During the Reporting Period, the Company continuously deepened physician education and academic promotion. Adopting a dual-track approach of “participation in academic conferences” and “empowerment through self-organised activities”, the Company steadily advanced the clinical application popularization of TAVR and TPVR technologies. The Company actively appeared at key domestic academic platforms, including the Southern China International Congress of Cardiology (SCC 2026), China Valve Hangzhou 2026, the Oriental Congress of Cardiology (OCC 2026) in Shanghai, and Beijing Valves 2026, thereby strengthening its brand academic influence through symposiums and satellite meetings. Concurrently, the Company independently conducted a series of training and exchange activities, including the “Valves Dialectics Journey” (瓣語紀行) international symposium for Chinese and foreign experts, the roadshow of Thai experts at Zhejiang Children’s Hospital and the offline TPVR COE training sessions at Fuwai Central China Cardiovascular Hospital and West China Hospital. Meanwhile, online procedure live broadcasts and case sharing were carried out on a regular basis to reinforce clinical procedure training. During the Reporting Period, the aforementioned series of activities cumulatively covered nearly 5,000 physician-times online and offline, effectively enhancing product recognition and the level of clinical procedure standardisation.

II. FINANCIAL REVIEW

Overview

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

Revenue

During the Reporting Period, all of our revenue was generated from the sales of medical devices. The six TAVR products currently sold by us in the domestic and overseas markets (namely, VenusA-Valve, VenusA-Plus, VenusA-Pro, VenusA-Deluxe, Venus-PowerX, and Venus-Vitae) constitute the main part of our revenue, and are expected to continue to be an important part of our sales in the future. TPVR product VenusP-Valve obtained the EU CE MDR certification on April 8, 2022 and was approved for marketing by the NMPA on July 11, 2022. Since its commercialization, it has constituted the main part of our overseas revenue.

The Group's revenue for the six months ended June 30, 2026 was RMB135.5 million, representing a decrease of 27.6% compared to RMB187.1 million for the six months ended June 30, 2025. The decrease in revenue was primarily attributable to the domestic market. Under the dual impact of the downward adjustment of terminal prices for TAVR products resulting from negotiations with the National Healthcare Security Administration (NHSA), as well as intensified market competition driven by the approval and launch of products from more manufacturers, both the ex-factory price and sales volume of domestic TAVR products recorded a decline as compared with the corresponding period of the previous year. As for the overseas business, it maintained a trend of steady growth during the Reporting Period; however, its revenue growth was insufficient to fully offset the impact brought by the decline in the domestic business.

The following table sets forth a breakdown of our revenue by product:

Revenue	Six months ended June 30, 2026		Six months ended June 30, 2025	
	RMB'000 (Unaudited)	Proportion	RMB'000 (Unaudited)	Proportion
TAVR products	79,564	58.72%	138,452	73.98%
TPVR products	55,894	41.25%	43,098	23.03%
Others	40	0.03%	5,587	2.99%
Total	135,498	100%	187,137	100%



Management Discussion and Analysis

Cost of Sales

Cost of sales primarily consists of staff costs, raw material costs, depreciation and amortization, utility costs and others.

The Group's cost of sales for the six months ended June 30, 2026 was RMB42.0 million, representing a decrease of 14.5% compared to RMB49.1 million for the six months ended June 30, 2025. The above decrease was in line with the change in sales revenue during the same period. The Group will further enhance profitability by continuously optimizing its cost structure and improving production efficiency.

Gross Profit and Gross Profit Margin

As a result of the aforementioned factors, the gross profit of the Group decreased by 32.2% from RMB138.0 million for the six months ended June 30, 2025 to RMB93.5 million for the six months ended June 30, 2026. For the six months ended June 30, 2025 and 2026, the Group's gross profit margin was 73.7% and 69.0%, respectively. The above changes are related to the decrease in product unit prices.

Other Income and Gains

The Group's other income and gains for the six months ended June 30, 2026 was RMB3.4 million, representing a decrease of 89.2% compared to RMB31.6 million for the six months ended June 30, 2025, which was mainly due to less government project grants received by the Group during the Reporting Period as compared with the corresponding period of the previous year and changes in the fair value of contingent consideration payable recognised in respect of the acquisition of Mitraltech (formerly known as "**Cardiovalve**").

Selling and Distribution Expenses

The Group's selling and distribution expenses for the six months ended June 30, 2026 was RMB79.7 million, representing a decrease of 20.7% compared to RMB100.5 million for the six months ended June 30, 2025. The above decrease was in line with the change in sales revenue during the same period.

R&D Costs

The Group's R&D costs for the six months ended June 30, 2026 was RMB128.7 million, representing an increase of 6.5% compared to RMB120.9 million for the six months ended June 30, 2025, primarily attributable to an increase in R&D investment with the progress of R&D projects.

Management Discussion and Analysis

The following table sets forth a breakdown of R&D costs:

	Six months ended June 30, 2026 RMB'000 (Unaudited)	Six months ended June 30, 2025 RMB'000 (Unaudited)
Staff cost	38,707	32,070
Raw material cost	22,192	6,959
Clinical trial expenses	16,075	16,274
R&D service expenses	12,942	17,705
Intellectual property expenses	5,814	4,795
Depreciation and amortization	31,861	35,438
Others	1,065	7,687
	128,656	120,928

Administrative Expenses

The Group's administrative expenses for the six months ended June 30, 2026 was RMB51.7 million, representing a decrease of 5.7% compared to RMB54.8 million for the six months ended June 30, 2025. The Group implemented strict cost control measures, leading to a decrease in administrative expenses.

Other Expenses

The Group's other expenses for the six months ended June 30, 2026 was RMB14.8 million, representing a decrease of 37.8% compared to RMB23.8 million for the six months ended June 30, 2025. The above changes were due to fair value adjustments to the financial assets.

Impairment of Goodwill and Intangible Assets

The Group did not record significant impairment on goodwill and intangible assets for the six months ended June 30, 2026.



Management Discussion and Analysis

As at June 30, 2026, the carrying amount of goodwill and other intangible assets of the Group were RMB0.99 billion and RMB0.36 billion, respectively. In preparing the condensed consolidated financial statements for the six months ended June 30, 2026, the Company's management reviewed the financial performance of the relevant cash generating unit of the Company, and no material impairment indicator was identified. Thus, the Company's management considered that no impairment provision is required to be made against goodwill and other intangible assets for the six months ended June 30, 2026.

Finance Costs

The Group's finance costs for the six months ended June 30, 2026 was RMB9.0 million, representing an increase of 25.0% compared to RMB7.2 million for the six months ended June 30, 2025. The above change was mainly attributable to an increase in interest expenses on other financial liabilities – bridge loans as the interest-bearing period was extended.

(Impairment Losses)/Reversal of Impairment Losses on Financial Assets, Net

The Group's provision for impairment losses on financial assets, net, for the six months ended June 30, 2026 was RMB5.0 million, representing a change of 516.7% compared to the net reversal of impairment losses on financial assets of RMB1.2 million for the six months ended June 30, 2025. The above change was mainly due to the Group's provision for impairment of receivables with a low probability of recovery.

Share of Losses of Associates and Joint Ventures Accounted for under the Equity Method

The Group's share of losses of associates and joint ventures accounted for under the equity method for the six months ended June 30, 2026 was RMB2.6 million, representing an increase in loss of 13.0% as compared to share of losses of associates and joint ventures accounted for under the equity method for the six months ended June 30, 2025 of RMB2.3 million, primarily attributable to the changes in losses recorded by our investees during the Reporting Period.

Income Tax

The Group's income tax credit for the six months ended June 30, 2026 was RMB3.3 million, as compared to income tax credit of RMB3.8 million for the six months ended June 30, 2025. The change in tax credit for the Reporting Period was primarily attributable to the deferred tax recognized in profit or loss relating to fair value adjustment on acquisition of a subsidiary.

Non-IFRS measures

To supplement the Group's consolidated financial statements which are presented in accordance with IFRS, the Company has provided commercialization profit, commercialization profit margin and EBITDA as non-IFRS measures, which are not required by, or presented in accordance with IFRS. The Company believes that the non-IFRS adjusted financial measures provide useful information to investors and others in understanding and evaluating the Group's consolidated statements of profit or loss in the same manner as they helped the Company's management, and that the Company's management and investors may benefit from referring to these non-IFRS adjusted financial measures in assessing the Group's operating performance from period to period by eliminating impacts of items that the Group does not consider indicative of the Group's operating performance. However, the presentation of these non-IFRS financial measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with the IFRS. You should not view the non-IFRS adjusted results on a stand-alone basis or as a substitute for results under IFRS.

The following table sets out a reconciliation of non-IFRS EBITDA to loss before tax for the periods indicated:

	For the six months ended June 30,	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Loss before tax	(194,644)	(138,564)
Finance costs	9,027	7,172
Depreciation and amortization	44,658	49,368
Non-IFRS EBITDA¹	(140,959)	(82,024)

¹ Non-IFRS EBITDA represents earnings/(loss) before interest, tax, depreciation and amortization.

Management Discussion and Analysis

The following table sets out a reconciliation of non-IFRS commercialization profit to gross profit for the periods indicated:

	For the six months ended June 30,	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenue	135,498	187,137
Cost of sales	(41,977)	(49,149)
Gross profit	93,521	137,988
Add/(less):		
Selling and distribution expenses	(79,698)	(100,459)
Other expenses		
Including: charitable donations	(5,541)	(7,166)
Non-IFRS commercialization profit²	8,282	30,363
Non-IFRS commercialization profit margin³	6.1%	16.2%

² Non-IFRS commercialization profit represents gross profit after deducting (i) selling and distribution expenses; and (ii) charitable donations.

³ Non-IFRS commercialization profit margin represents commercialization profit divided by revenue.

These indicators are used to measure the Company's commercialization capability.

Capital Management

The primary goal of the Group's capital management is to maintain the Group's stability and growth, safeguard its normal operations and maximize Shareholders' value. The Group reviews and manages its capital structure on a regular basis, and makes timely adjustments to it in light of changes in economic conditions. To maintain or realign our capital structure, the Group may raise capital by way of bank loans or issuance of equity or convertible bonds.

Liquidity and Financial Resources

The Group's cash and cash equivalents as at June 30, 2026 were RMB71.3 million, representing a decrease of 55.0% compared to RMB158.3 million as at December 31, 2025. The decrease was primarily attributable to daily operating expenses during the Reporting Period, including research and development activities, and selling and marketing expenses.

As at June 30, 2026, the Group's current assets were approximately RMB462.2 million, current liabilities were approximately RMB354.6 million, and net current assets were approximately RMB107.6 million. For the six months ended June 30, 2026, the Group recorded a net loss of approximately RMB191.3 million. Having carefully assessed the Group's cash flow forecast, and assuming that the equity financing and/or convertible bond financing currently under negotiation can be successfully completed, the Group will have sufficient funds to meet its future business operation requirements and will be able to fulfill its financial obligations as they fall due in the foreseeable future.

Borrowings and Gearing Ratio

As at June 30, 2026, the Group's total borrowings, including interest-bearing bank borrowings and other financial liabilities – bridge loan, were RMB162.9 million (December 31, 2025: RMB159.2 million). The interest-bearing bank borrowings of the Group are mainly carried with interest charged at floating rates, while other financial liabilities – bridge loan are carried with interest charged at a fixed annual rate of 10%. For a breakdown of the interest-bearing bank borrowings of the Group, please refer to the 2026 interim report of the Company to be published in due course. For details of the proposed issue of convertible bonds and the bridge loan, please refer to the announcements of the Company dated March 20, 2025, November 14, 2025 and July 6, 2026.

The gearing ratio (calculated by dividing the sum of interest-bearing bank borrowings, other financial liabilities – bridge loan and lease liabilities by total equity) of the Group as at June 30, 2026 was 13.3% (December 31, 2025: 12.3%).



Management Discussion and Analysis

Net Current Assets

The Group's net current assets, as at June 30, 2026, were RMB107.6 million, representing a decrease of 74.8% compared to net current assets of RMB426.4 million as at December 31, 2025.

Foreign Exchange Exposure

We operate globally and are exposed to foreign exchange risk arising from trading activities, recognised assets and liabilities, and net investments in foreign operations. We currently do not have a foreign currency hedging policy. However, our management monitors foreign exchange exposure and will consider appropriate hedging measures in the future should the need arise.

Significant Investments

As of June 30, 2026, we did not hold any significant investments (including any investment in an investee company) with a value of 5% or more of the Group's total assets.

Material Acquisitions and Disposals

During the Reporting Period, we did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures of the Company.

Capital Expenditure

For the six months ended June 30, 2026, the Group's total capital expenditure amounted to approximately RMB4.0 million, which was used for (i) purchase of items of property, plant and equipment; and (ii) purchase of other intangible assets.

Indebtedness and Charge on Assets

As of June 30, 2026, the Group had other financial liabilities – bridge loan of RMB157.9 million (December 31, 2025: RMB154.2 million). Such bridge loan was secured by mortgages or pledges over our assets. The mortgaged or pledged assets were Venus-PowerX patents, and the completion of relevant pledge registration had taken place. For details of the proposed issue of convertible bonds and the bridge loan, please refer to the section headed “Proposed issue of convertible bonds” in this report and the announcements of the Company dated March 20, 2025, November 14, 2025 and July 6, 2026.

Save as disclosed above, as at June 30, 2026, (i) the Company had no other bank loans, convertible loans and borrowings nor did the Company issue any bonds; and (ii) there was no other pledge of the Group’s assets.

Contingent Liabilities

As at June 30, 2026, except for the fair value of contingent consideration payable for acquisition of a subsidiary of the total amount of RMB335.5 million (for details, please refer to the announcement of the Company headed “Discloseable Transaction-Acquisition of Equity Interests in Mitraltch (formerly known as “**Cardiovalve**”) and Subscription of Convertible Loan” dated December 8, 2021), we did not have any contingent liabilities.

Employees and Remuneration Policies

As of June 30, 2026, we had 557 employees in total (June 30, 2025: 605), of whom 483 are stationed in China, and 74 are stationed overseas primarily in Israel, U.S. and Europe. During the Reporting Period, the total employee benefit expenses of the Group amounted to approximately RMB121.4 million (six months ended June 30, 2025: RMB129.1 million), comprising (i) wages, salaries and bonuses; (ii) social security costs and housing benefits; (iii) employee welfare and (iv) share-based compensation expenses. In compliance with the applicable labor laws, we enter into individual employment contracts with our employees covering matters such as wages, bonuses, employee benefits, workplace safety, confidentiality obligations, non-competition and grounds for termination. These employment contracts typically have terms of three to five years.



Management Discussion and Analysis

To remain competitive in the labor market, we provide various incentives and benefits to our employees. We invest in continuing education and training programs, including internal and external training, for our management staff and other employees to upgrade their skills and knowledge. We also provide competitive salaries, project and share incentive schemes to our employees, especially for key employees.

Future Investment Plans and Expected Funding

The Group will continue to expand its heart valve business in markets domestically and globally through organic growth, mergers and acquisitions, with the aim of maximizing shareholder value. To finance relevant capital expenditures, we will fully utilize a combination of financing channels, including but not limited to our own funds, debt financing and equity financing.

III. PROSPECTS

Development Strategies

Taking the continuous advancement of innovative medical devices technologies in China as its mission and differentiated development as its core corporate strategy, the Company will remain focused on the field of interventional therapy for structural heart disease, pay great attention to scientific research innovation and achievement transformation, and maintain its technological leadership through both independent innovation and deep industry-academia-research cooperation. We will continuously maintain our technological leading position; continuously optimize and enhance management capabilities to improve operational efficiency; enrich its product lines through a combination of endogenous growth and mergers and acquisitions; and reinforce brand building to elevate brand value, striving to become a domestic leading and internationally renowned innovative device enterprise in the field of interventional therapy for structural heart disease.

Operation Plans

Facing an operating environment characterized with ongoing centralized procurement and intensifying competition, in the second half of 2026, the Company will continue to deepen its internal resource allocation and enhance operational efficiency across research and development, production, and sales. We will also develop innovative technologies, expand market presence and continuously elevate its core competitiveness.

First, **deepening R&D and innovation to construct a differentiated product barrier.** The Company will continue to deeply develop in the sector of interventional therapy for structural heart disease, accelerate the registration, marketing and clinical progress of innovative pipeline products, and maintain its technological leading edge. In respect of the TAVR business segment, with the global clinical advancement and regulatory approvals of the latest generation products Venus-PowerX and Venus-Vitae, they are expected to form a rich portfolio with existing products, achieving an overall upgrade of the TAVR product line. We will actively advance the effort in the registration review of the MDR CE for TTVR Cardiovalve to consolidate our technological leadership in the field of tricuspid regurgitation therapy. In terms of the TPVR field, we will advance the U.S. IDE pivotal clinical trial of VenusP-Valve and the R&D of the latest generation products as scheduled, so as to further refine the product line.

Second, **strengthening marketing system synergy to enhance market penetration and brand momentum.** The Company will further optimize its marketing management system, tap into potential marketing channels, and expand its domestic sales network to provide physicians and patients with professional and comprehensive medical solutions. We will unswervingly promote global development, carry out deeper localization construction in rapidly developing regions such as Europe and developing countries, and strengthen the synergy between the Company and its distributors, so as to continuously reinforce local brand image and market penetration. We will deepen our layout to systematically elevate brand influence, and, relying on premium product quality and a refined service system, enter hospitals in more countries and regions, thereby laying a solid foundation for global market expansion and the building of a renowned device brand.



Management Discussion and Analysis

Third, **accelerating strategic adjustments and product switching**. The Company will accelerate the registration and marketing of its next-generation products, such as Venus-PowerX and Venus-Vitae, to consolidate market advantage with differentiated technologies; meanwhile, the Company will orderly promote the commercialisation deployment of its next-generation products, laying a solid foundation for market expansion following their commercial launch. The Company will also continue to rely on the growth momentum of its overseas business to buffer the operational pressure of the domestic market, striving to achieve a stable transition and high-quality development amidst industry transformation.

In the second half of 2026, the Company will respond to the complex external environment with pragmatic operating measures and steadily advance its strategic goals, so as to build a solid foundation for achieving high-quality development in the long run.

Corporate Governance and Other Information

I. INTERIM DIVIDEND

The Board does not recommend the payment of interim dividend for the six months ended June 30, 2026 to the Shareholders (six months ended June 30, 2025: Nil).

II. DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As of June 30, 2026, the interests or short positions of the Directors, Supervisors and chief executive of the Company in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Name of Director	Class of Shares	Capacity	Number of Securities/Type of Shares Held	Approximate Percentage of Shareholding in the Total Issued Share Capital of the Company (Note 1)	Approximate Percentage of Shareholding in the Relevant Class of Shares (Note 1)
Mr. John Junhua Gu	H Shares	Beneficial owner	553,500/ Long position	0.13%	0.13%

Note:

- (1) The Company has two classes of Shares: H Shares as one class of Shares, Unlisted Foreign Shares as another class of Shares. As at June 30, 2026, the total issued share capital of the Company was 441,011,443 Shares, which comprise 441,010,235 H Shares and 1,208 Unlisted Foreign Shares.



Corporate Governance and Other Information

Save as disclosed above, as at June 30, 2026, none of the Directors, Supervisors or chief executives of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO); or which were required to be recorded in the register to be kept by the Company pursuant to section 352 of the SFO; or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

III. RIGHTS OF DIRECTORS AND SUPERVISORS TO ACQUIRE SHARES OR DEBENTURES

As of June 30, 2026, none of the Directors, Supervisors or their respective spouses or minor children under the age of 18 years were granted with rights, or had exercised any such rights, to acquire benefits by means of purchasing Shares or debentures of the Company. Neither the Company nor any of its subsidiaries was a party to any arrangements to enable the Directors, Supervisors or their respective spouses or minor children under the age of 18 years to acquire such rights from any other body corporates.

Corporate Governance and Other Information

IV. SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS

As of June 30, 2026, to the knowledge of our Company and the Directors after making reasonable inquiries, the following persons (other than the Directors, Supervisors and chief executive of our Company as disclosed above) have interests or short positions in Shares or underlying Shares which would be required to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and recorded in the register required to be maintained by our Company under Section 336 of the SFO:

Name of Shareholders	Class of Shares	Capacity	Number of securities/Type of Shares held	Approximate percentage of shareholding in the total share capital of our Company (Note 5)	Approximate percentage of shareholding in the relevant class of shares (Note 5)
Mr. Min Frank Zeng (Note 1)	H Shares	Interest of controlled corporations	33,651,618/ Long position	7.63%	7.63%
Horizon Binjiang LLC (Note 1)	H Shares	Beneficial owner	33,651,618/ Long position	7.63%	7.63%
Mr. Zi (Note 2)	H Shares	Beneficial owner	32,720,498/ Long position	7.42%	7.42%
		Interest of controlled corporations	10,569,132/ Long position	2.40%	2.40%
	Unlisted Foreign Shares	Other	1,208/ Long position	0.00%	100.00%
Qiming Corporate GP III, Ltd. (Note 3)	H Shares	Interest in controlled corporations	57,048,980/ Long position	12.94%	12.94%
Qiming GP III, L.P. (Note 3)	H Shares	Interest in controlled corporations	57,048,980/ Long position	12.94%	12.94%
Qiming Venture Partners III, L.P. (Note 3)	H Shares	Interest in controlled corporations	40,018,283/ Long position	9.07%	9.07%
Ming Zhi Investments Limited (Note 3)	H Shares	Interest in controlled corporations	40,018,283/ Long position	9.07%	9.07%
Ming Zhi Investments (BVI) Limited (Note 3)	H Shares	Beneficial owner	40,018,283/ Long position	9.07%	9.07%
Mr. Haifeng David Liu (Note 4)	H Shares	Interest in controlled corporations	24,713,752/ Long position	5.60%	5.60%

Corporate Governance and Other Information

Name of Shareholders	Class of Shares	Capacity	Number of securities/Type of Shares held	Approximate percentage of shareholding in the total share capital of our Company (Note 5)	Approximate percentage of shareholding in the relevant class of shares (Note 5)
Mr. Julian Juul Wolhardt (Note 4)	H Shares	Interest in controlled corporations	24,713,752/ Long position	5.60%	5.60%
DCP, Ltd. (Note 4)	H Shares	Interest in controlled corporations	24,713,752/ Long position	5.60%	5.60%
DCP Partners Limited (Note 4)	H Shares	Interest in controlled corporations	24,713,752/ Long position	5.60%	5.60%
DCP General Partner, Ltd. (Note 4)	H Shares	Interest in controlled corporations	24,713,752/ Long position	5.60%	5.60%
DCP Capital Partners, L. P. (Note 4)	H Shares	Interest in controlled corporations	24,713,752/ Long position	5.60%	5.60%
Red Giant Limited (Note 4)	H Shares	Interest in controlled corporations	24,713,752/ Long position	5.60%	5.60%
Muheng Capital Partners (Hong Kong) Limited (Note 4)	H Shares	Beneficial Owner	24,713,752/ Long position	5.60%	5.60%

Notes:

- (1) Horizon Binjiang LLC, an investment holding company incorporated in California, the United States, owns 33,651,618 H Shares of the Company. Mr. Zeng, as its sole shareholder, is deemed to be interested in the interest owned by Horizon Binjiang LLC under the SFO.
- (2) Mr. Zi beneficially owns 32,720,498 H Shares of the Company. In addition to his direct shareholding, he is also deemed to be interested in 10,569,132 H Shares and 1,208 Unlisted Foreign Shares of the Company through the below intermediaries he controlled under the SFO:
 - Adventure 03 Limited, an investment holding company incorporated in Hong Kong, owns 476,224 H Shares in the Company. Dinova Healthcare Gamma Fund (USD) L.P. (as the sole shareholder of Adventure 03 Limited), Dinova Venture Partners GP III, L.P. (as the general partner of Dinova Healthcare Gamma Fund (USD) L.P.) and Dinova Capital Limited (as the general partner of Dinova Venture Partners GP III, L.P.), Xin Nuo Tong Investment Limited (as the sole shareholder of Dinova Capital Limited) and Mr. Zi (as the sole shareholder of Xin Nuo Tong Investment Limited) are deemed to be interested in the interest owned by Adventure 03 Limited in the Company under the SFO.

Corporate Governance and Other Information

- Dinova Venture Partners GP III, L.P. owns 238,112 H Shares of the Company. Dinova Capital Limited (as the general partner of Dinova Venture Partners GP III, L.P.), Xin Nuo Tong Investment Limited (as the sole shareholder of Dinova Capital Limited) and Mr. Zi (as the sole shareholder of Xin Nuo Tong Investment Limited) are deemed to be interested in the interest owned by Dinova Venture Partners GP III, L.P. in the Company under the SFO.
- Zhejiang Dinova Ruiying Venture Investment L.P. (浙江德諾瑞盈創業投資合夥企業 (有限合夥)) (“**Zhejiang Dinova**”), a limited partnership and a venture capital fund holding various portfolios established in the PRC, owns 6,977,955 H Shares of the Company. Zhejiang Dinova Capital Management L.P. (浙江德諾資本管理合夥企業 (有限合夥)) (as the general partner of Zhejiang Dinova), Hangzhou Dinova Commercial Information Consulting Ltd. (杭州德諾商務信息諮詢有限公司) (as the general partner of Zhejiang Dinova Capital Management L.P.) and Mr. Zi (as a 40% shareholder of Hangzhou Dinova Commercial Information Consulting Ltd.) are deemed to be interested in the interest owned by Zhejiang Dinova in the Company under the SFO.
- DNA 01 (Hong Kong) Limited, an investment holding company incorporated in Hong Kong, owns 919,805 H Shares of the Company. Dinova Healthcare Delta Fund (USD) L.P. (as the sole shareholder of DNA 01 (Hong Kong) Limited), Dinova Venture Partners GP IV, L.P. (as the general partner of Dinova Healthcare Delta Fund (USD) L.P.), Dinova Venture Capital Limited (as the general partner of Dinova Venture Partners GP IV, L.P.), Xin Nuo Tong Investment Limited (as a 40% shareholder of Dinova Venture Capital Limited) and Mr. Zi (as the sole shareholder of Xin Nuo Tong Investment Limited) are deemed to be interested in the interest owned by DNA 01 (Hong Kong) Limited under the SFO.
- Shenzhen Dinova Ruihe Venture Investment L.P. (深圳市德諾瑞和創業投資合夥企業 (有限合夥)) (“**Shenzhen Dinova**”), a limited partnership established in the PRC and a venture capital fund holding various portfolios, owns 1,687,358 H Shares of the Company. Shenzhen Dinova Investment L.P. (深圳市德諾投資合夥企業 (有限合夥)) (as the general partner of Shenzhen Dinova), Shenzhen Dinova Investment Consulting Ltd. (as the general partner of Shenzhen Dinova Investment L.P.) and Mr. Zi (as a 66.67% shareholder of Shenzhen Dinova Investment Consulting Ltd.) are deemed to be interested in the interest owned by Shenzhen Dinova.
- Hangzhou Qisheng Investment Partnership (Limited Partnership) (杭州啓勝投資合夥企業 (有限合夥)), one of the PRC Employee Entities, owns an aggregate of 269,678 H Shares of the Company. Hangzhou Nuoxin Investment Management Limited (杭州諾心投資管理有限公司) is the general partner of the PRC Employee Entities. Mr. Zi, as the sole shareholder of Hangzhou Nuoxin Investment Management Limited, is deemed to be interested in the interest owned by the PRC Employee Entities under the SFO.
- Mr. Zi holds voting rights of 1,208 Unlisted Foreign Shares of the Company, while Jupiter Holdings Limited and Mercury Holding Limited are entitled to the ownership, dividend rights, disposal rights and other benefits of the above-mentioned Unlisted Foreign Shares of the Company.



Corporate Governance and Other Information

- (3) Qiming Corporate GP III, Ltd. is deemed to be interested in 57,048,980 H Shares of the Company through the below intermediaries it controls under the SFO:
- Ming Zhi Investments (BVI) Limited, an investment holding company incorporated in the British Virgin Islands, owns 40,018,283 H Shares of the Company. For the purpose of the SFO, Ming Zhi Investments Limited (as the sole shareholder of Ming Zhi Investments (BVI) Limited), Qiming Venture Partners III, L.P. (as a 96.94% shareholder of Ming Zhi Investments Limited) and Qiming GP III, L.P. (as the general partner of Qiming Venture Partners III, L.P.) are deemed to be interested in the interest owned by Ming Zhi Investments (BVI) Limited.
 - QM22 (BVI) Limited, an investment holding company incorporated in the British Virgin Islands, owns 17,030,697 H Shares of the Company. For the purpose of the SFO, QM22 Limited (as the sole shareholder of QM22 (BVI) Limited), Qiming Venture Partners III Annex Fund, L.P. (as the sole shareholder of QM22 Limited), Qiming GP III, L.P. (as the general partner of Qiming Venture Partners III Annex Fund, L.P.) and Qiming Corporate GP III, Ltd. (as the general partner of Qiming GP III, L.P.) are deemed to be interested in the interest owned by QM22 (BVI) Limited.
- (4) Muheng Capital Partners (Hong Kong) Limited, a company incorporated in Hong Kong, owns 24,713,752 H Shares of the Company. For the purpose of the SFO, Red Giant Limited (as the sole shareholder of Muheng Capital Partners (Hong Kong) Limited), DCP Capital Partners, L.P. (as the sole shareholder of Red Giant Limited), DCP General Partner, Ltd. (as the general partner of DCP Capital Partners, L.P.), DCP Partners Limited (as the sole shareholder of DCP General Partner, Ltd.), DCP, Ltd. (as the sole shareholder of DCP Partners Limited) and Mr. Haifeng David Liu and Mr. Julian Juul Wolhardt (each as a person holding 50% control of DCP, Ltd.) are deemed to be interested in the interest owned by Muheng Capital Partners (Hong Kong) Limited.
- (5) The Company has two classes of Shares: H Shares as one class of Shares, Unlisted Foreign Shares as another class of Shares. As of June 30, 2026, the total issued share capital of the Company was 441,011,443 Shares, which comprise 441,010,235 H Shares and 1,208 Unlisted Foreign Shares.

Save as disclosed above, as at June 30, 2026, to the best knowledge of the Directors, no other persons (not being Directors, Supervisors and chief executive of our Company) have interests or short positions in Shares or underlying Shares which would be required to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and recorded in the register required to be maintained by our Company under Section 336 of the SFO.

V. ISSUANCE OF SHARES AND UTILIZATION OF PROCEEDS

(i) The Initial Global Offering

The net proceeds received by the Company from its initial global offering (including the full exercise of the over-allotment option) (the **"Initial Global Offering"**) amounted to HK\$2,846.0 million (equivalent to RMB2,558.0 million) (after deducting the underwriting commissions and other estimated expenses in connection with the initial global offering and exercise of the over-allotment option).

As of December 31, 2025, the Group had fully utilized the net proceeds from the Initial Global Offering.

(ii) The September 2020 Placing

The net proceeds received by the Company from the placing of an aggregate of 18,500,000 new H Shares in September 2020 (the **"September 2020 Placing"**) were approximately HK\$1,173.0 million (equivalent to RMB1,034.01 million) (after deducting the expenses of the placing). Pursuant to the announcement made by the Company dated March 14, 2022, the Company made the clarification of the intended purposes of the proceeds from the September 2020 Placing.

As of January 1, 2023, the Group had fully utilized the net proceeds from the September 2020 Placing in accordance with the intended purpose.

(iii) The January 2021 Placing

The net proceeds received by the Company from the placing of an aggregate of 18,042,500 new H Shares taken place in January 2021 (the **"January 2021 Placing"**) were approximately HK\$1,427 million (equivalent to RMB1,191.00 million) after deducting the expenses of the placing. Pursuant to the announcement made by the Company on March 14, 2022, the Company changed the use of proceeds from the January 2021 Placing (the **"Changed Use of Proceeds"**).

As of December 31, 2024, the Group had fully utilized the net proceeds from the January 2021 Placing in accordance with the intended purpose and the Changed Use of Proceeds.

VI. ADVANCE TO AN ENTITY

During the Reporting Period, the Group did not make any advance of loans to any entity which exceeded 8% of the total assets of the Group in accordance with Rule 13.13 of the Listing Rules.

VII. SHARE OPTION SCHEME

As of the date of this report, the Company has only one share scheme, being the Share Option Scheme adopted by the resolutions of the Shareholders passed at an extraordinary general meeting of the Company held on July 12, 2023 (i.e. the Adoption Date).

During the period commencing from the Adoption Date up to the date of this report, as no grant had been made under the Share Option Scheme, no options were vested, exercised, canceled or lapsed in accordance with the terms of the Share Option Scheme during the Reporting Period. Accordingly, as of January 1, 2026 and as of June 30, 2026, the Scheme Limit and the Service Provider Sublimit adopted by the Shareholders on the Adoption Date remained unutilized, and stood at 44,101,023 H Shares (representing approximately 10% of the total issued H Shares) and 4,410,102 H Shares, respectively.

The number of H Shares that may be issued in respect of options and/or awards granted under all schemes of the Company during the Reporting Period is nil, and the calculation pursuant to Rule 17.07(3) of the Listing Rules is not applicable.

Further, as of the date of this report, the total number of H Shares available for issue under the Share Option Scheme is 44,101,023, representing approximately 10% of the total issued H Shares.

Corporate Governance and Other Information

A summary of the principal terms of the Share Option Scheme is set out below.

Purpose:

The purposes of the Share Option Scheme are:

- (i) to attract, motivate and retain skilled and experienced personnel who are eligible persons to strive for the future development and expansion of the Group by providing them with the opportunity to own equity interests in the Company;
- (ii) to deepen the reform on the Company's remuneration system and to develop and constantly improve the interests balance mechanism among the Shareholders, the operational and executive management; and
- (iii) to (a) recognize the contributions of the leadership of the Company including the executive Directors, non – executive Directors and/or independent non-executive Directors; (b) encourage, motivate and retain the leadership of the Company whose contributions are beneficial to the continual operation, development and long-term growth of the Group; and (c) provide additional incentive for the leadership of the Company and long standing employee by aligning the interests of the leadership of the Company to those of the Shareholders and the Group as a whole.

**Duration and
remaining life:**

The Share Option Scheme shall be valid and effective for a period of ten years commencing on the Adoption Date, after which period no further options shall be granted.

As of the date of this report, the remaining life of the Share Option Scheme was approximately six years and ten months.



Corporate Governance and Other Information

Eligible persons:

Any Employee Participant or Service Provider, whom the Board or the scheme administrator consider(s), in their sole discretion, to have contributed or will contribute to the Group.

Exercise price:

Subject to the effect of alterations to share capital as set out in the Share Option Scheme, the exercise price shall be a price determined by the Board (or the scheme administrator) in its sole and absolute discretion and notified to an eligible person, but in any event must be at least the highest of:

- (a) the official closing price of the H Shares as stated in the daily quotations sheet of the Stock Exchange on the date of grant;
- (b) the average of the official closing price of the H Shares as stated in the daily quotations sheet of the Stock Exchange for the 5 business days immediately preceding the date of grant; and
- (c) the nominal value of an H Share.

Vesting and performance targets:

Unless otherwise specified in the offer letter approved by the Board or the scheme administrator, all options under the Share Option Scheme shall be vested in a number of tranches. The specific commencement and duration of each vesting period and the actual vesting amount of the options granted to a participant for the respective vesting periods shall be specified in the offer letter approved by the Board or the scheme administrator provided however that the vesting period shall not be less than twelve (12) months, except that any Share Options granted to an Employee Participant may be subject to a shorter vesting period including where: (i) grants of "make whole" Share Options to new Employee Participant to replace options and/or awards that such Employee Participants forfeited when leaving their previous employers; (ii) grants to an Employee Participant whose employment is terminated due to death or disability or event of force majeure; (iii) grants of Share Options which are subject to fulfillment of performance targets as determined in the conditions of their grant; (iv) grants of Share Options the timing of which is determined by administrative or compliance requirements not connected with the performance of the relevant Employee Participant, in which case the vesting date may be adjusted to take account of the time from which the Share Options would have been granted if not for such administrative or compliance requirements; (v) grants of Share Options with a mixed vesting schedule such that the Share Options vest evenly over a period of twelve (12) months; or (vi) grant of Share Options with a total Vesting Period of more than twelve (12) months, such as where the Share Options may vest by several batches with the first batch to vest within twelve (12) months of the grant date and the last batch to vest twelve (12) months after the grant date.



Corporate Governance and Other Information

The Share Option Scheme does not stipulate that specific performance targets of a participant are required to be achieved. Nevertheless, the Board or the scheme administrator may at its discretion set performance objectives for options under the Share Option Scheme, which will be stated in the offer letter. The performance objectives, if any, must be achieved before the options can be exercised, and shall be assessed in accordance with the stipulated performance measures. The Board or the scheme administrator will carefully assess, on a periodic basis, whether the performance targets are satisfied.

**Maximum number of
H Shares available for
subscription under
the Share Option
Scheme:**

The maximum number of H Shares which may be issued upon exercise of option(s) and vesting of award(s) under the Share Option Scheme and all other share scheme(s) of the Company (excluding options or awards lapsed in accordance with relevant scheme rules) shall be such number of H Shares which represent 10% of the total number of H Shares as of the date of the Shareholders' approval of the Scheme Limit.

**Service Provider
Sublimit under
the Scheme Limit:**

The maximum number of H Shares which may be issued to Service Providers upon exercise of option(s) and vesting of award(s), if any, under the Share Option Scheme and all other share scheme(s) of the Company (excluding options or awards lapsed in accordance with relevant scheme rules) shall be such number of H Shares which represent 1% of the total number of H Shares in issue as of the date of the Shareholders' approval of the Service Provider Sublimit.

Corporate Governance and Other Information

Maximum entitlement of each eligible participant:

Where any grant of options to a grantee would result in the H Shares issued and to be issued in respect of all options and awards granted to such person, pursuant to the Share Option Scheme and any other share scheme adopted by the Company (excluding options or awards lapsed in accordance with relevant scheme rules), in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the total number of issued H Shares at the relevant time, such grant must be separately approved by Shareholders in a general meeting with such grantee and their close associates (or associates if the grantee is a connected person of the Company) to abstain from voting.

Any grant of options to a Director, chief executive or substantial Shareholder of the Company, or any of their respective associates, must be approved by the independent non-executive Directors of the Company (excluding any independent non-executive Director who is the grantee of the options).

Where any grant of options to an independent non-executive Director or a substantial Shareholder of the Company, or any of their respective associates, would result in the H Shares issued and to be issued in respect of all options and awards granted (excluding options or awards lapsed in accordance with the relevant scheme rules) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the total number of issued H Shares at the relevant time, such grant must be separately approved by Shareholders in a general meeting with such grantee and their associates and all core connected persons of the Company to abstain from voting.



Corporate Governance and Other Information

Time of exercise of options:

Each offer of an option shall be in writing made to a participant by letter in such form as the Board or the scheme administrator may from time to time determine at its discretion. The offer letter shall state, among others, the period during which the option may be exercised, which period is to be determined and notified by the Board but shall expire in any event not later than the last day of the scheme period after the date of grant of the option.

Amount payable on application or acceptance of the option:

The Board or the scheme administrator may determine the amount payable (if any) on an application or acceptance of an option and the period(s) within which any such payments must be made, and specify in the offer letter. Unless otherwise set out in the offer letter, a participant shall have 14 business days from the grant date to accept the offer.

VIII. PURCHASE, SALE OR REDEMPTION OF SECURITIES OF THE COMPANY

The Group did not purchase, sell or redeem any of the Company's listed securities (including sale of treasury Shares (as defined under the Listing Rules)) during the Reporting Period.

As of June 30, 2026, there were no treasury Shares (as defined under the Listing Rules) held by the Company.

IX. MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding Directors' and Supervisors' securities transactions on terms no less exacting than the required standard set out in the Model Code. Specific enquiries have been made to all the Directors and Supervisors, and they have confirmed that they have complied with the Company's code of conduct regarding Directors' and Supervisors' securities transactions during the six months ended June 30, 2026.

The Company's employees, who are likely to be in possession of inside information of the Company, have also been subject to the Model Code for securities transactions. No incident of non-compliance of the Model Code by the employees was noted by the Company during the six months ended June 30, 2026.

X. AUDIT

The 2026 interim financial report of the Company is unaudited. The Audit Committee has considered and reviewed the accounting principles and practices adopted by the Group and has discussed matters in relation to risk management, internal control and financial reporting with the management, including the review of the unaudited condensed consolidated interim financial results of the Group for the six months ended June 30, 2026 and this report. The Audit Committee has reviewed and considered that the interim financial results for the six months ended June 30, 2026 and this report are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made and did not raise any objection to the accounting policy and practices adopted by the Company.

XI. COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has adopted and applied the principles and code provisions as set out in the Corporate Governance Code. During the six months ended June 30, 2026, the Company has complied with the applicable code provisions in the Corporate Governance Code.

XII. MATERIAL LITIGATION AND ARBITRATION

During the Reporting Period, the Group did not have any material litigation or arbitration.

XIII. CHANGE IN DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT DURING THE REPORTING PERIOD

(i) Change in Directors and Composition of Board Committees

Mr. Liqiao Ma has resigned as an executive Director due to other personal commitments with effect from May 15, 2026.

Save as disclosed above, there were no changes in Directors and composition of Board Committees during the Reporting Period.

(ii) Change in Supervisors

There were no changes in Supervisors during the Reporting Period.

(iii) Change in Biographies of Directors and Supervisors

- (1) Mr. Ting Yuk Anthony Wu, an independent non-executive Director of the Company, resigned as an independent non-executive director of Ocumension Therapeutics (Stock Code: 1477) in June 2026; and
- (2) Mr. Chi Wai Suen, an independent non-executive Director of the Company, resigned as an independent non-executive director of Da Yu Financial Holdings Limited (Stock Code: 1073) in May 2026.

Save as disclosed above, there has been no change in the information of the Directors and Supervisors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the Company's last published 2025 Annual Report.

(iv) Change in Company Secretary and Authorized Representatives

Mr. Wong Wai Chiu has resigned as the Company Secretary and Authorized Representative with effect from May 6, 2026, and Ms. Yip Chui Mei has been appointed as the Company Secretary and Authorized Representative with effect from the same date.

Save as disclosed above, there were no changes in Company Secretary and Authorized Representatives during the Reporting Period.

XIV. OTHER SIGNIFICANT EVENTS

(1) Further information in respect of unauthorized loans and pledged deposits

Reference is made to (i) sections 3 and 4 headed “Unauthorized loans to Jiangsu Wuzhong” and “Unauthorized guarantees to Hangzhou Kuntai” in the announcement of the Company dated February 23, 2024; (ii) the announcement of the Company dated April 16, 2024; (iii) the 2023 Annual Report; (iv) the announcement of the Company dated May 23, 2024; (v) the announcement of the Company dated August 23, 2024; (vi) the announcement of the Company dated November 22, 2024; (vii) the announcement of the Company dated January 13, 2025; (viii) the announcement of the Company dated March 12, 2025; and (ix) the announcement of the Company dated March 31, 2026.

Since the obtaining of the arbitration award in favor of the Company’s requests from Hangzhou Arbitration Commission on March 26, 2025, the Company has initiated enforcement procedures in respect of the award in the PRC, Hong Kong and Cayman Islands.

Xin Nuo Tong, the party controlled by Mr. Zi, and Mr. Haiyue Ma have opposed enforcement in each of the jurisdictions to set aside the arbitration award, or to stay its enforcement, as applicable.

The Company believes that the applications of Xin Nuo Tong and Mr. Haiyue Ma to resist enforcement of the award and the court action are without merit and we actively responded to and defended against their claims. The Company received a civil ruling issued by the Hangzhou Intermediate People’s Court in February 2026, dismissing the applications for revocation of the arbitration award filed by Ma Haiyue and Xin Nuo Tong. The Company will vigorously pursue timely enforcement of the arbitration award in all jurisdictions.

As of the date of this report, the unauthorized loan of RMB80,000,000 to Jiangsu Wuzhong has not been repaid.



Corporate Governance and Other Information

(2) Proposed issue of convertible bonds

On March 20, 2025, the Company entered into the subscription agreement and the convertible bonds framework agreement with Hangzhou Yingzhiqin No. 2 Venture Capital Partnership (Limited Partnership)* (杭州盈智勤貳號創業投資合夥企業(有限合夥)) (“**Subscriber**”) regarding the issuance of convertible bonds with an aggregate principal amount not exceeding RMB200,000,000, which may be converted into the Company’s H shares upon maturity. Pursuant to the convertible bonds framework agreement, the Company has received the first installment of the bridge loan of RMB150,000,000 on March 21, 2025. On November 14, 2025, the Company entered into supplemental agreements with the Subscriber to amend certain terms and conditions of the subscription agreement and the framework agreement.

As the ODI procedures had not been completed by the ODI deadline date and no agreement was reached by the Company and the Subscriber to further extend the long stop date and the ODI deadline date, the subscription agreement lapsed and became null and void on June 30, 2026, and the parties thereto were released from all obligations thereunder.

A bridge loan of RMB150,000,000 has been paid by the Subscriber to the Company under the framework agreement. Pursuant to the framework agreement, the Company plans to repay the bridge loan and corresponding unpaid interest to the Subscriber no later than March 15, 2027.

For further details, please refer to the announcements of the Company dated March 20, 2025, November 14, 2025 and July 6, 2026.

XV. EVENTS AFTER THE REPORTING PERIOD

On July 1, 2026, the Company entered into a non-legally binding investment term sheet with Hangzhou Hi-Tech Financial Investment Holdings Group Co., Ltd.* (杭州高新金投控股集團有限公司) and Hangzhou Yingzhiqin Private Equity Fund Management Co., Ltd.* (杭州盈智勤私募基金管理有限公司), both of which, to the best of the Company’s knowledge, are Independent Third Parties, regarding potential subscriptions of new shares and new convertible bonds for an aggregate investment amount of up to RMB500 million. Alongside the term sheet, the Company also entered into a legally binding agreement on July 1, 2026 regarding an earnest money payment of RMB100 million, which was subsequently received by the Company on July 10, 2026.

Corporate Governance and Other Information

As of the date of this report, the definitive transaction documents for the potential transactions have not yet been executed, and the parties are actively working towards finalizing the terms. The Company currently expects to enter into the definitive transaction documents in early September 2026.

Under the proposed terms, which remain subject to the execution of the definitive documents as well as necessary shareholder and regulatory approvals, the investment is structured to occur in phases: a first closing of RMB350 million (inclusive of the earnest money) completed within 30 business days of shareholder approval, and a second closing of up to RMB150 million completed within one year. Further details are set out in the announcement made by the Company on July 2, 2026.

Save as disclosed above, the Company is not aware of any material subsequent events from June 30, 2026 to the date of this report.

By Order of the Board
Venus Medtech (Hangzhou) Inc.
Mr. Lim Hou-Sen (Lin Haosheng)
Executive Director

Hangzhou, PRC, August 31, 2026

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Six Months ended 30 June 2026

		For the six months ended 30 June	
	Notes	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenue	5	135,498	187,137
Cost of sales		(41,977)	(49,149)
Gross profit		93,521	137,988
Other income and gains		3,400	31,601
Selling and distribution expenses		(79,698)	(100,459)
Research and development costs		(128,656)	(120,928)
Administrative expenses		(51,747)	(54,785)
Other expenses		(14,816)	(23,782)
Finance costs		(9,027)	(7,172)
(Impairment losses)/reversal of impairment losses on financial assets, net		(5,014)	1,238
Share of losses of a joint venture and associates		(2,607)	(2,265)
LOSS BEFORE TAX	6	(194,644)	(138,564)
Income tax credit	7	3,336	3,792
LOSS FOR THE PERIOD		(191,308)	(134,772)

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Six Months ended 30 June 2026

		For the six months ended 30 June	
	Note	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
OTHER COMPREHENSIVE LOSS			
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		(45,318)	(10,060)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(236,626)	(144,832)
Loss attributable to:			
Owners of the parent		(191,308)	(134,772)
Non-controlling interests		–	–
		(191,308)	(134,772)
Total comprehensive loss attributable to:			
Owners of the parent		(236,626)	(144,832)
Non-controlling interests		–	–
		(236,626)	(144,832)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted (RMB)	9	(0.44)	(0.31)

Condensed Consolidated Statement of Financial Position

At 30 June 2026

	Notes	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	10	65,599	72,559
Right-of-use assets		27,785	43,677
Goodwill		985,044	1,016,558
Other intangible assets		363,792	393,825
Investment in a joint venture		406	3,301
Investments in associates		54,899	56,433
Deferred tax assets		34,156	31,590
Financial assets at fair value through profit or loss		187,491	192,378
Prepayments, other receivables and other assets		42,212	42,175
Total non-current assets		1,761,384	1,852,496
CURRENT ASSETS			
Inventories		93,024	96,746
Trade receivables	11	92,628	99,238
Prepayments, other receivables and other assets		76,185	79,645
Financial assets at fair value through profit or loss		–	105,432
Loans to former directors and a former director's controlled entity	17(b)	112,167	110,967
Pledged deposit		16,933	16,632
Cash and cash equivalents		71,288	158,336
Total current assets		462,225	666,996
CURRENT LIABILITIES			
Trade payables	12	15,868	15,950
Lease liabilities		32,333	36,345
Other payables and accruals		128,626	171,051
Other financial liabilities – bridge loan	14	157,901	–
Interest-bearing bank borrowings	13	5,035	5,004
Government grants		3,750	1,830
Contract liabilities		1,663	664
Tax payable		9,452	9,759
Total current liabilities		354,628	240,603

Condensed Consolidated Statement of Financial Position

At 30 June 2026

	Notes	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
NET CURRENT ASSETS		107,597	426,393
TOTAL ASSETS LESS CURRENT LIABILITIES		1,868,981	2,278,889
NON-CURRENT LIABILITIES			
Other financial liabilities – bridge loan	14	–	154,212
Other payables and accruals		335,512	341,220
Lease liabilities		7,417	20,779
Total non-current liabilities		342,929	516,211
Net assets		1,526,052	1,762,678
EQUITY			
Share capital	15	441,012	441,012
Reserves		1,085,040	1,321,666
Total equity		1,526,052	1,762,678

Condensed Consolidated Statement of Changes in Equity

For the Six Months ended 30 June 2026

	Share capital RMB'000	Treasury shares* RMB'000	Share premium* RMB'000	Other reserves* RMB'000	Fair value reserve* RMB'000	Exchange fluctuation reserve* RMB'000	Accumulated losses* RMB'000	Total RMB'000
At 1 January 2026 (audited)	441,012	(72,548)	5,112,276	270,539	(44,485)	59,696	(4,003,812)	1,762,678
Loss for the period (unaudited)	-	-	-	-	-	-	(191,308)	(191,308)
Other comprehensive loss for the period: Exchange differences related to foreign operations (unaudited)	-	-	-	-	-	(45,318)	-	(45,318)
Total comprehensive loss for the period (unaudited)	-	-	-	-	-	(45,318)	(191,308)	(236,626)
At 30 June 2026 (unaudited)	441,012	(72,548)	5,112,276	270,539	(44,485)	14,378	(4,195,120)	1,526,052

* These reserve accounts comprise the consolidated reserves of RMB1,085,040,000 (31 December 2025: RMB1,321,666,000) in the condensed consolidated statement of financial position as at 30 June 2026.

Condensed Consolidated Statement of Changes in Equity

For the Six Months ended 30 June 2026

	Share capital RMB'000	Treasury shares* RMB'000	Share premium* RMB'000	Other reserves* RMB'000	Fair value reserve* RMB'000	Exchange fluctuation reserve* RMB'000	Accumulated losses* RMB'000	Total RMB'000
At 1 January 2025 (audited)	441,012	(72,548)	5,112,276	270,539	(44,485)	100,424	(3,596,119)	2,211,099
Loss for the period (unaudited)	-	-	-	-	-	-	(134,772)	(134,772)
Other comprehensive loss for the period:								
Exchange differences related to foreign operations (unaudited)	-	-	-	-	-	(10,060)	-	(10,060)
Total comprehensive loss for the period (unaudited)	-	-	-	-	-	(10,060)	(134,772)	(144,832)
At 30 June 2025 (unaudited)	441,012	(72,548)	5,112,276	270,539	(44,485)	90,364	(3,730,891)	2,066,267

Condensed Consolidated Statement of Cash Flows

For the Six Months ended 30 June 2026

		For the six months ended 30 June	
	Notes	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(194,644)	(138,564)
Adjustments for:			
Finance costs		9,027	7,172
Interest income		(1,119)	(2,800)
Fair value adjustments of contingent considerations		4,929	(5,534)
Impairment of trade and other receivables recognized/(reversed), net	6	5,014	(1,238)
Depreciation of items of property, plant and equipment		9,228	12,092
Depreciation of right-of-use assets		15,490	16,603
Amortisation of other intangible assets		19,940	20,673
Loss on disposal of items of property, plant and equipment, net	6	46	139
Reversal of write-down of inventories to net realisable value	6	–	(3,480)
Fair value gains, net:			
Financial assets at fair value through profit or loss – mandatorily classified as such		–	14,748
Share of losses of a joint venture and associates		2,607	2,265
Foreign exchange differences, net		–	856
Operating cash flows before movements in working capital		(129,482)	(77,068)
Change in inventories		3,816	(2,625)
Change in trade receivables		2,611	61,992
Change in prepayments, other receivables and other assets		4,289	(1,047)
Change in pledged time deposits		(810)	5,395
Change in trade payables		(82)	(7,812)
Change in other payables and accruals		(43,430)	(94,207)
Change in contract liabilities		999	1,615
Change in government grants		1,920	1,660
Cash generated used in operations		(160,169)	(112,097)
Net income tax paid		(498)	(315)
Net cash flows used in operating activities		(160,667)	(112,412)

Condensed Consolidated Statement of Cash Flows

For the Six Months ended 30 June 2026

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of financial assets at fair value through profit or loss	102,164	–
Purchases of items of property, plant and equipment	(3,450)	(9,368)
Proceeds from disposal of items of property, plant and equipment	843	154
Purchases of other intangible assets	(568)	(117)
Interest received	(81)	1,600
Placement of bank deposits with original maturity over three months	–	(6,679)
Net cash flows from/(used in) investing activities	98,908	(14,410)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal portion of lease payments	(15,165)	(11,840)
Interest paid	(3,817)	(4,734)
Repayment of bank borrowings	(5,000)	(47,500)
Interest portion of lease payments	(1,490)	(2,490)
Proceeds from bank borrowing	5,000	30,000
Proceeds from other financial liabilities – bridge loan	–	150,000
Net cash flows (used in)/from financing activities	(20,472)	113,436
NET DECREASE IN CASH AND CASH EQUIVALENTS	(82,231)	(13,386)
Cash and cash equivalents at beginning of period	158,336	298,036
Effect of foreign exchange rate changes, net	(4,817)	(5,655)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	71,288	278,995
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	71,288	278,995
Cash and cash equivalents as stated in the condensed consolidated statement of cash flows	71,288	278,995



Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

1. CORPORATE INFORMATION

Venus Medtech (Hangzhou) Inc. (the “**Company**”) is a joint stock company with limited liability established in the People’s Republic of China (the “**PRC**”). The registered office of the Company is located at Room 311, 3/F, Block 2, No. 88, Jiangling Road, Binjiang District, Hangzhou, the PRC. The address of its principal place of business in Hong Kong is 40/F, Dah Sing Financial Centre, No. 248 Queen’s Road East, Wanchai, Hong Kong.

During the six months ended 30 June 2026, the Company and its subsidiaries (the “**Group**”) were principally engaged in the research and development, and the manufacturing and sale of bioprosthetic heart valves.

The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited on 10 December 2019.

2. BASIS OF PREPARATION

The condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with International Accounting Standard (“**IAS**”) 34 Interim Financial Reporting. The condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2025.

Material Uncertainties Related to Going Concern

In determining the appropriate basis for the preparation of the interim financial report, the directors of the Company (the “**Directors**”) are required to consider whether the Group is able to continue as a going concern in the foreseeable future.

As at 30 June 2026, the Group had (i) bridge loan and interest of RMB157,901,000 due in March 2027 (see Note 14); and (ii) bank borrowings and interest of RMB5,035,000 due within one year. During the six months ended 30 June 2026, the Group incurred a loss of RMB191,308,000 and recorded net cash outflows from operating activities of RMB160,667,000.

Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

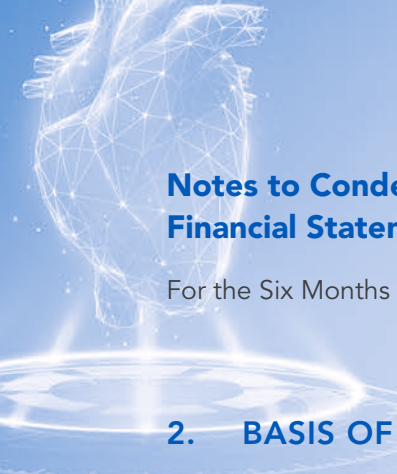
2. BASIS OF PREPARATION (Continued)

Material Uncertainties Related to Going Concern (Continued)

In light of the above circumstances, in order to mitigate the Group's liquidity risk and improve its financial position, the Group is proceeding with the subscription arrangement (the "**Financing**"). Specifically:

- (i) The proceeds from the Financing are expected to provide the Group with the funds necessary to meet its financial obligations and support its business operations;
- (ii) If the Financing cannot be completed as scheduled, the Group will need to seek alternative sources of financing. However, as at the date of approval of this interim financial report, no alternative financing arrangements have been implemented or received firm commitments, and there is no assurance that such alternative funding can be obtained in a timely manner on commercially acceptable terms.

The Directors are of the view that whether the Group will be able to continue as a going concern in the foreseeable future depends primarily on whether the Financing can be successfully completed. The Directors are actively advancing the Financing to manage the above liquidity risk (for details of the Financing, please refer to the Company's announcement dated 2 July 2026). In assessing whether the Group will have sufficient financial resources to continue as a going concern, the Directors have considered the Group's future liquidity position and available financial resources. The Directors have reviewed the Group's cash flow forecast prepared by the management, which covers a period of at least twelve months from the end of the Reporting Period. The Directors are of the view that, based on the expectation that the share/convertible bond subscription agreement (for details of the Financing, please refer to the Company's announcement dated 2 July 2026) will be entered into and approved by the general meeting, the Group will have the ability to continue as a going concern for the next twelve months from the end of the Reporting Period. Accordingly, the Directors have continued to adopt the going concern basis of accounting in the preparation of the Group's condensed consolidated financial statements.



Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

2. BASIS OF PREPARATION (Continued)

Material Uncertainties Related to Going Concern (Continued)

If the Financing fails to proceed, the Group will need to seek other alternative sources of funding to meet its operational needs and financial commitments. There is no assurance that such alternative funding can be obtained on comparable terms, commercially acceptable terms, or within the timeframe required by the Company, or at all. In the absence of the Financing, the Group may be forced to delay, scale down or otherwise adjust certain aspects of its business plans and operations, which may have a material adverse impact on the business, financial position, operating results and future prospects of the Group.

If after the best efforts of the directors to seek alternative sources of funding, the Group is still unable to continue as a going concern, adjustments would have to be made to write down the carrying values of assets to their recoverable amounts, make provision for any further liabilities that may arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these condensed consolidated financial statements for the six months ended 30 June 2026.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The International Accounting Standards Board has issued a number of amendments to IFRS Accounting Standards that are first effective for the current accounting period of the Group. None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in the interim financial report. IFRS Accounting Standards comprise International Financial Reporting Standards, IAS and Interpretations. The Group has not applied any new IFRS Accounting Standards that is not yet effective for the current accounting period. The Directors anticipated that the application of these new IFRS Accounting Standards will have no material impact on the interim financial report.

Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

4. OPERATING SEGMENT INFORMATION

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

Geographical information

(a) Revenue from external customers

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Mainland China	84,770	146,419
Others	50,728	40,718
Total	135,498	187,137

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Mainland China	136,155	114,438
Israel	1,330,452	1,400,230
Hong Kong	54,899	56,433
United States of America ("USA")	17,023	18,904
Netherlands ("NL")	44	46
Total	1,538,573	1,590,051

The non-current asset information above is based on the locations of the assets and excludes deferred tax assets and financial instruments.

Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

5. REVENUE

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
<i>Revenue from contracts with customers</i>		
Sale of medical devices	135,498	187,137

Disaggregated revenue information for revenue from contracts with customers

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Geographical markets		
Mainland China	84,770	146,419
Others	50,728	40,718
Total revenue from contracts with customers	135,498	187,137
Timing of revenue recognition		
Goods transferred at a point in time	135,498	187,137

Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

6. LOSS BEFORE TAX

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

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Cost of inventories sold	41,977	49,149
Impairment of/(reversal of impairment of) trade receivables	4,000	(1,055)
Impairment of/(reversal of impairment of) other receivables	1,014	(183)
Reversal of write-down of inventories to net realisable value	–	(3,480)
Loss on disposal of items of property, plant and equipment, net	46	139
Foreign exchange differences, net	3,194	856

7. INCOME TAX

PRC

Pursuant to the Corporate Income Tax Law of the PRC and the respective regulations, the subsidiaries which operate in Mainland China are subject to corporate income tax at a rate of 25% on the taxable income. Preferential tax treatment is available to the Company, since it was recognised as a High and New Technology Enterprise in December 2025, and was entitled to a preferential tax rate of 15% during the period (six months ended 30 June 2025: 15%). Certain subsidiaries of the Group are qualified as small and micro enterprises and are subject to a preferential income tax rate of 20% during the year with the first annual taxable income of RMB1,000,000 eligible for 87.5% reduction and the income between RMB1,000,000 and RMB3,000,000 eligible for 75% reduction.

Israel

Pursuant to the relevant tax laws of Israel, the corporate income tax was levied at 23% (six months ended 30 June 2025: 23%) on the taxable income arising in Israel.

Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

7. INCOME TAX (Continued)

NL

Pursuant to the relevant tax laws of the NL, the corporate income tax was levied at the rate of up to 19% (six months ended 30 June 2025: up to 19%) on the taxable income arising in the NL.

The income tax expense/(credit) of the Group during the periods is analysed as follows:

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Current – PRC		
Charge for the period	–	77
Current – Israel		
Charge for the period	37	22
Current – NL		
Charge for the period	154	158
Deferred tax	(3,527)	(4,049)
	(3,336)	(3,792)

8. DIVIDEND

The Board does not recommend the payment of any dividend in respect for the six months ended 30 June 2026 (six months ended 30 June 2025: nil).

Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amounts is based on the loss for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 437,897,443 (six months ended 30 June 2025: 437,897,443) in issue during the period.

The Group had no potentially dilutive ordinary shares in issue during the six months ended 30 June 2026 (six months ended 30 June 2025: nil).

The calculation of basic loss per share is based on:

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Loss		
Loss attributable to ordinary equity holders of the parent	(191,308)	(134,772)

	Number of shares For the six months ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
Shares		
Weighted average number of shares in issue during the period	437,897,443	437,897,443

Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

10. PROPERTY, PLANT AND EQUIPMENT

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Carrying amount at beginning of period/year	72,559	405,372
Additions	3,325	21,410
Disposals	(891)	(327,382)
Depreciation provided during the period/year	(9,228)	(23,869)
Transfers	–	(2,754)
Exchange realignment	(166)	(218)
Carrying amount at end of period/year	65,599	72,559

11. TRADE RECEIVABLES

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

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Within 6 months	56,076	60,900
7 to 12 months	12,959	12,523
1 to 2 years	14,699	16,263
Over 2 years	8,894	9,552
	92,628	99,238

Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

12. TRADE PAYABLES

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

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Within 3 months	15,632	15,284
3 to 6 months	169	104
6 to 12 months	18	–
Over 12 months	49	562
	15,868	15,950

13. INTEREST-BEARING BANK BORROWINGS

	Effective Interest rate (%)	Maturity	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Current				
Floating interest rate:				
Bank loans – unsecured	1-year LPR minus 0.30%	2026	–	5,004
Bank loans – unsecured	1-year LPR minus 0.30%	2027	5,035	–
			5,035	5,004

Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

13. INTEREST-BEARING BANK BORROWINGS (Continued)

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Analysed into:		
Bank loans repayable:		
Within one year	5,035	5,004

14. OTHER FINANCIAL LIABILITIES – BRIDGE LOAN

On 20 March 2025, the Company entered into a framework agreement with Hangzhou Yingzhiqin No. 2 Venture Capital Partnership (Limited Partnership) (the “**Subscriber**”) in connection with a proposed issue of convertible bonds. Pursuant to this agreement, the Company received a bridge loan of RMB150,000,000 from the Subscriber on 21 March 2025, which bears interest at 10% per annum. Subsequently, the parties agreed to amend the key terms of the arrangement. The long-stop date for fulfilling the conditions precedent (including the Subscriber’s completion of required overseas regulatory filings) was extended to 30 June 2026, and the maturity date of the proposed convertible bonds was extended to 15 March 2027. Further details are set out in the announcements made by the Company on 20 March 2025 and 14 November 2025.

On June 30, 2026, the agreement lapsed due to the non-fulfilment of conditions precedent, releasing all parties from their obligations thereunder. Consequently, the Company plans to repay the RMB150,000,000 bridge loan drawn under the related framework agreement, along with accrued unpaid interest, to the subscriber no later than 15 March 2027. Further details are set out in the announcement made by the Company on 6 July 2026.

Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

15. SHARE CAPITAL

	Number of shares	RMB'000
Issued and fully paid:		
Ordinary shares of RMB1.00 each		
At 1 January 2025 (audited), 31 December 2025 (audited), 1 January 2026 (audited) and 30 June 2026 (unaudited)	441,011,443	441,012

As at 30 June 2026, the Company had outstanding treasury shares of 3,114,000 (31 December 2025: 3,114,000) shares.

16. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Contracted, but not provided for:		
Purchases of items of property, plant and equipment	102	380

Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

17. RELATED PARTY TRANSACTIONS

Name	Relationship with the Company
Mr. Zhenjun Zi	Shareholder and former director
Xin Nuo Tong Investment Limited ("Xin Nuo Tong")	A former director's controlled entity

(a) The Group had the following transactions with related parties during the period:

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Interest from loans to: Xin Nuo Tong	1,200	1,200

(b) The Group had following outstanding balances with related parties:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Loans to former directors and a former director's controlled entity:		
Mr. Zhenjun Zi	23,767	23,767
Xin Nuo Tong	88,400	87,200
	112,167	110,967

Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

17. RELATED PARTY TRANSACTIONS (Continued)

- (b) The Group had following outstanding balances with related parties: (Continued)

Pursuant to the repayment agreement entered into amongst the Group, Mr. Zi, Xin Nuo Tong (a company wholly owned by Mr. Zi), Tianjin Qizhang Economic Information Consulting Partnership (Limited Partnership) ("**Tianjin Qizhang**") (天津啟彰經濟信息諮詢合夥企業(有限合夥)) and Mr. Haiyue Ma ("**Mr. Ma**"), the loan to Jiangsu Wuzhong amounting to RMB80,000,000, bearing interest at 3% per annum, shall be repaid jointly and severally by Xin Nuo Tong, Tianjin Qizhang and Mr. Ma.

Pursuant to the confirmation entered into amongst the Company, its subsidiaries, and Mr. Zi, Mr. Zi agreed to take full responsibility for and voluntarily repay (i) interest receivables arising from the loans to former directors; and (ii) exchange differences arising from certain foreign currency loans, all of which will be repaid by Mr. Zi. The loans to former directors are unsecured and repayable on demand.

As of 30 June 2026, pursuant to the repayment agreement entered into amongst the Group, Mr. Zi, Xin Nuo Tong, Tianjin Qizhang and Mr. Ma the debt obligation regarding the loan to Jiangsu Wuzhong, amounting to RMB80,000,000 and bearing interest at 3% per annum, shall be repaid jointly and severally by Xin Nuo Tong, Tianjin Qizhang and Mr. Ma. As security for the loan, Mr. Zi and Xin Nuo Tong agreed to pledge certain equity interests in external investments held by Xin Nuo Tong.

As at 30 June 2026 and 31 December 2025, interest receivables arising from the loan to a former director and exchange differences arising from certain foreign currency loans amounting to RMB23,767,000 were repayable on demand by Mr. Zi.

Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

17. RELATED PARTY TRANSACTIONS (Continued)

- (b) The Group had following outstanding balances with related parties: (Continued)

As at 30 June 2026, the loan to a former director's controlled entity, including the accrued interests, amounted to RMB88,400,000 (31 December 2025: RMB87,200,000) bears interest at 3% per annum, is secured by certain equity interests in external investments held by Xin Nuo Tong and further guaranteed by Tianjin Qizhang and Mr. Ma and repayable on demand.

Regarding the loan extended to an entity controlled by a former director, the management has comprehensively evaluated various credit enhancement measures and enforceable assets under the loan. Based on the overall evaluation as mentioned above, the Group considers that the fair value of such guarantee exceeds the carrying amount of the loan granted to the entity controlled by the former director, and has determined that no impairment is required.

- (c) Compensation of key management personnel of the Group:

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Salaries, bonuses, allowances and benefits in kind	5,940	4,607
Pension scheme contributions	270	181
Total compensation paid to key management personnel	6,210	4,788

Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

18. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

At 30 June 2026

Financial assets

	Financial assets at amortised cost RMB'000 (Unaudited)	Financial assets at fair value through profit or loss Mandatorily classified as such RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Loans to former directors and a former director's controlled entity	112,167	–	112,167
Financial assets at fair value through profit or loss	–	187,491	187,491
Trade receivables	92,628	–	92,628
Financial assets included in prepayments, other receivables and other assets	99,183	–	99,183
Pledged deposits	16,933	–	16,933
Cash and cash equivalents	71,288	–	71,288
	392,199	187,491	579,690

Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

18. FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows: (Continued)

At 30 June 2026 (Continued)

Financial liabilities

	Financial liabilities at fair value through profit or loss RMB'000 (Unaudited)	Financial liabilities at amortised cost RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Trade payables	–	15,868	15,868
Financial liabilities included in other payables and accruals	–	99,611	99,611
Other financial liabilities – bridge loan	–	157,901	157,901
Interest-bearing bank borrowings	–	5,035	5,035
Contingent consideration payables	335,512	–	335,512
	335,512	278,415	613,927

Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

18. FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows: (Continued)

At 31 December 2025

Financial assets

	Financial assets at amortised cost RMB'000 (Audited)	Financial assets at fair value through profit or loss Mandatorily classified as such RMB'000 (Audited)	Total RMB'000 (Audited)
Loans to former directors and a former director's controlled entity	110,967	–	110,967
Financial assets at fair value through profit or loss	–	297,810	297,810
Trade receivables	99,238	–	99,238
Financial assets included in prepayments, other receivables and other assets	97,248	–	97,248
Pledged deposits	16,632	–	16,632
Cash and cash equivalents	158,336	–	158,336
	482,421	297,810	780,231

Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

18. FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows: (Continued)

At 31 December 2025 (Continued)

Financial liabilities

	Financial liabilities at fair value through profit or loss RMB'000 (Audited)	Financial liabilities at amortised cost RMB'000 (Audited)	Total RMB'000 (Audited)
Trade payables	–	15,950	15,950
Financial liabilities included in other payables and accruals	–	138,622	138,622
Interest-bearing bank borrowings	–	5,004	5,004
Other financial liabilities – bridge loan	–	154,212	154,212
Contingent consideration payables	341,220	–	341,220
	341,220	313,788	655,008

Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

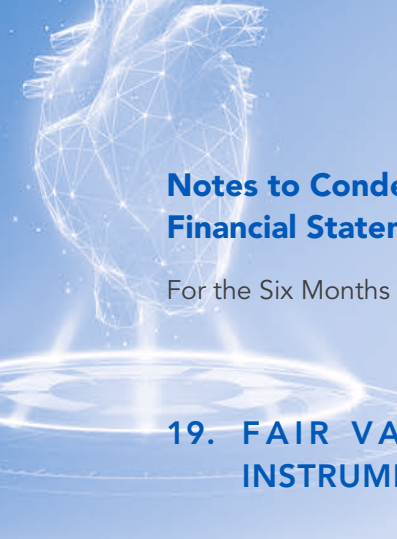
All the carrying amounts of the Group's financial instruments approximate to their fair values. Management has assessed that the fair values of cash and cash equivalents, pledged deposits, current portion of financial assets included in prepayments, other receivables and other assets, loan from former directors, trade receivables, current portion of interest-bearing bank borrowings, trade payables and current portion of financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The Group's finance department headed by the chief financial officer is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The financial department reports directly to the chief financial officer. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the directors twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the non-current portion of financial assets included in prepayments, other receivables and other assets, non-current portion of interest-bearing bank borrowings and non-current portion of financial liabilities included in other payables and accruals have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all required significant inputs to fair value of an instrument are observable, the instruments are included in Level 2. If one or more of the significant inputs are not based on observable market data, the instruments are included in Level 3.



Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

The Group has also invested in unlisted debt investments which fair value is determined on a recent transaction valuation. The Group classifies the fair value of these investments as Level 2.

For Level 3 financial assets, the Group adopts the valuation techniques to determine the fair value. Valuation techniques include the scenario analysis for unlisted debt investments, the probability-weighted expected return method for unlisted debt investments, and market method for an unlisted debt investment and an unlisted equity investment. The fair value measurement of these financial instruments may involve unobservable inputs such as the risk-free rate, discount rate, equity volatility, discount for lack of marketability ("**DL**OM"), Probability of IPO and P/R&D. The Group periodically reviews all significant unobservable inputs and valuation adjustments used to measure the fair values of financial assets in Level 3.

The fair values of the contingent consideration payables were determined using the discounted cash flow method and are within Level 3 fair value measurement.

Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Below is a summary of significant unobservable inputs to the valuation of financial instruments as at 30 June 2026 and 31 December 2025:

30 June 2026

	Valuation technique (Unaudited)	Significant unobservable inputs (Unaudited)	Range (weighted average) (Unaudited)	Relationship of fair value to the input (Unaudited)
Financial assets at fair value through profit or loss	Scenario analysis	Risk-free rate	3.48%	The higher the risk-free rate, the lower the fair value.
		Discount rate	17.93%-18.01%	The higher the discount rate, the lower the fair value.
Financial assets at fair value through profit or loss	Market method	Risk-free rate	3.81%	The higher the risk-free rate, the higher the fair value.
		Equity volatility	40.50%	The higher the equity volatility, the higher the fair value.
		DLOM	25.67%	The higher the DLOM, the lower the fair value.
		Probability of IPO	20.00%	The higher the probability of IPO, the higher the fair value.

Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Below is a summary of significant unobservable inputs to the valuation of financial instruments as at 30 June 2026 and 31 December 2025: (Continued)

30 June 2026 (Continued)

	Valuation technique (Unaudited)	Significant unobservable inputs (Unaudited)	Range (weighted average) (Unaudited)	Relationship of fair value to the input (Unaudited)
Financial assets at fair value through profit or loss	Market method	Risk-free rate	3.56%	The higher the risk-free rate, the lower the fair value.
		Equity volatility	40.12%	The higher the equity volatility, the lower the fair value.
		DLOM	6.23%	The higher the DLOM, the lower the fair value.
		Probability of IPO	20.00%	The higher the probability of IPO, the lower the fair value.
Contingent consideration payables	Discounted cash flow method	Discount rate	21.00%	The higher the discount rate, the lower the fair value.
		Discount for own non-performance risk for Milestone 1	20.00%	The higher the discount risk, the lower the fair value.
		Discount for own non-performance risk for Milestone 2	25.00%	The higher the discount risk, the lower the fair value.
		Discount for own non-performance risk for Milestone 3	25.00%	The higher the discount risk, the lower the fair value.

Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Below is a summary of significant unobservable inputs to the valuation of financial instruments as at 30 June 2026 and 31 December 2025: (Continued)

31 December 2025

	Valuation technique (Audited)	Significant unobservable inputs (Audited)	Range (weighted average) (Audited)	Relationship of fair value to the input (Audited)
Financial assets at fair value through profit or loss	Scenario analysis	Risk-free rate	3.48%	The higher the risk-free rate, the lower the fair value.
		Discount rate	17.93%-18.01%	The higher the discount rate, the lower the fair value.
Financial assets at fair value through profit or loss	Market method	Risk-free rate	3.81%	The higher the risk-free rate, the higher the fair value.
		Equity volatility	40.50%	The higher the equity volatility, the higher the fair value.
		DLOM	25.67%	The higher the DLOM, the lower the fair value.
		Probability of IPO	20.00%	The higher the probability of IPO, the higher the fair value.
Financial assets at fair value through profit or loss	Market method	Risk-free rate	3.56%	The higher the risk-free rate, the lower the fair value.
		Equity volatility	40.12%	The higher the equity volatility, the lower the fair value.
		DLOM	6.23%	The higher the DLOM, the lower the fair value.
		Probability of IPO	20.00%	The higher the probability of IPO, the lower the fair value.

Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Below is a summary of significant unobservable inputs to the valuation of financial instruments as at 30 June 2026 and 31 December 2025: (Continued)

31 December 2025 (Continued)

	Valuation technique (Audited)	Significant unobservable inputs (Audited)	Range (weighted average) (Audited)	Relationship of fair value to the input (Audited)
Contingent consideration payables	Discounted cash flow method	Discount rate	21.00%	The higher the discount rate, the lower the fair value.
		Discount for own non-performance risk for Milestone 1	20.00%	The higher the discount risk, the lower the fair value.
		Discount for own non-performance risk for Milestone 2	25.00%	The higher the discount risk, the lower the fair value.
		Discount for own non-performance risk for Milestone 3	25.00%	The higher the discount risk, the lower the fair value.

Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

At 30 June 2026

	Fair value measurement using			Total RMB'000 (Unaudited)
	Quoted price in active market (Level 1) RMB'000 (Unaudited)	Significant observable inputs (Level 2) RMB'000 (Unaudited)	Significant unobservable inputs (Level 3) RMB'000 (Unaudited)	
Financial assets at fair value through profit or loss				
– Unlisted debt/equity investments	–	80,723	106,768	187,491

At 31 December 2025

	Fair value measurement using			Total RMB'000 (Audited)
	Quoted price in active market (Level 1) RMB'000 (Audited)	Significant observable inputs (Level 2) RMB'000 (Audited)	Significant unobservable inputs (Level 3) RMB'000 (Audited)	
Financial assets at fair value through profit or loss				
– Unlisted debt/equity investments	–	82,194	215,616	297,810

Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy (Continued)

Assets measured at fair value: (Continued)

The movements in fair value measurements within Level 3 during the period are as follows:

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Financial assets at fair value through profit or loss:		
At beginning of period/year	215,616	221,669
Disposal	(102,164)	–
Exchange realignment	(3,371)	(2,481)
Total losses recognised in profit or loss included in other expense [#]	(3,313)	(3,572)
At end of period/year	106,768	215,616
[#] Include losses for assets held at the end of reporting period	(3,313)	(3,572)

Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy (Continued)

Liabilities measured at fair value:

At 30 June 2026

	Fair value measurement using			Total RMB'000 (Unaudited)
	Quoted price in active market (Level 1) RMB'000 (Unaudited)	Significant observable inputs (Level 2) RMB'000 (Unaudited)	Significant unobservable inputs (Level 3) RMB'000 (Unaudited)	
Contingent consideration payables	–	–	335,512	335,512

At 31 December 2025

	Fair value measurement using			Total RMB'000 (Audited)
	Quoted price in active market (Level 1) RMB'000 (Audited)	Significant observable inputs (Level 2) RMB'000 (Audited)	Significant unobservable inputs (Level 3) RMB'000 (Audited)	
Contingent consideration payables	–	–	341,220	341,220

Notes to Condensed Consolidated Financial Statements

For the Six Months ended 30 June 2026

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy (Continued)

As part of the share purchase agreements, portions of the consideration for business combination were determined to be contingent. The movement of the fair value of contingent consideration payables is as follows:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
At beginning of period/year	341,220	363,942
Fair value changes [#]	4,929	(14,874)
Exchange realignment	(10,637)	(7,848)
At end of period/year	335,512	341,220
[#] Include losses/(gains) for liabilities held at the end of reporting period	4,929	(14,874)

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 for both financial assets and financial liabilities (six months ended 30 June 2025: nil).

During the period, there were no transfers into or out of Level 3 for financial assets and financial liabilities (six months ended 30 June 2025: nil).

20. EVENTS AFTER THE REPORTING PERIOD

On 1 July 2026, the Company entered into a non-legally binding investment term sheet with Hangzhou Hi-Tech Financial Investment Holdings Group Co., Ltd. and Hangzhou Yingzhiqin Private Equity Fund Management Co., Ltd., both of which, to the best of the Company's knowledge, are independent of the Company, regarding potential subscriptions of new shares and new convertible bonds for an aggregate investment amount of up to RMB500 million. Alongside the term sheet, the Company also entered into a legally binding agreement on 1 July 2026 regarding an earnest money payment of RMB100 million, which was subsequently received by the Company on 10 July 2026.

As of the date of approval of these unaudited consolidated interim financial report, the definitive transaction documents for the potential transactions have not yet been executed, and the parties are actively working towards finalizing the terms. The Company currently expects to enter into the definitive transaction documents in early September 2026.

Under the proposed terms, which remain subject to the execution of the definitive documents as well as necessary shareholder and regulatory approvals, the investment is structured to occur in phases: a first closing of RMB350 million (inclusive of the earnest money) completed within 30 business days of shareholder approval, and a second closing of up to RMB150 million completed within one year. Further details are set out in the announcement made by the Company on 2 July 2026.



Definitions

"2025 Annual Report"	the annual report of the Company for the year ended December 31, 2025
"Adoption Date"	July 12, 2023, being the date on which the adoption of the Share Option Scheme was approved by the Shareholders
"ANVISA"	Brazil's National Health Surveillance Agency
"Audit Committee"	the audit committee of the Board
"BGMP"	Brazil Good Manufacture Practice
"Board"	the board of directors of the Company
"Cardiovalve"	Cardiovalve Ltd. (formerly known as Mitraltech Ltd.), a private company incorporated under the laws of Israel, which is a wholly-owned subsidiary of the Target Company
"CE MDR"	a certification mark that indicates conformity with health, safety, and environmental protection standards for products sold within the European Economic Area
"CE MDR Marking"	a mark of CE MDR
"China" or "the PRC"	the People's Republic of China, excluding, for the purpose of this report, Hong Kong, Macau Special Administrative Region and Taiwan
"Company" or "our Company"	Venus Medtech (Hangzhou) Inc. (杭州啓明醫療器械股份有限公司), a limited liability company incorporated in the PRC on July 3, 2009 and converted into a joint stock limited liability company incorporated in the PRC on November 29, 2018, whose H Shares are listed on the Hong Kong Stock Exchange (Stock Code: 2500)
"Core Product(s)"	VenusA-Valve, VenusA-Plus and VenusP-Valve, the designated "core product" as defined under Chapter 18A of the Listing Rules

Definitions

"Corporate Governance Code"	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
"date of this report"	August 31, 2026
"Director(s)"	the director(s) of the Company
"Employee Participant"	any PRC or non-PRC director (including executive, non-executive and independent non-executive director) and employee (whether full-time or part-time) of the Company or any of its subsidiaries, and any person who are granted options as an inducement to enter into employment contracts with the Company or any of its subsidiaries (including nominees and/or trustees of any employee benefit trust established for them)
"EU"	the European Union
"FDA"	U.S. Food and Drug Administration
"Forensic Investigation"	has the meaning ascribed to it in the forensic investigation announcement of the Company published on February 25, 2024 in relation to, among others, the key findings of the forensic investigation
"GMP"	good manufacturing practices, the aspect of quality assurance that ensures that medicinal products are consistently produced and controlled to the quality standards appropriate to their intended use and as required by the product specification
"Group" or "we/our/us"	the Company and its subsidiaries
"H Share(s)"	the overseas listed foreign shares with a nominal value of RMB1.00 each in the share capital of the Company, which are listed on the Hong Kong Stock Exchange and subscribed for and traded in Hong Kong dollars
"Hangzhou Kuntai"	Hangzhou Kuntai Biotechnology Co., Ltd., a company controlled by Mr. Zi



Definitions

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“IDE”	Investigational Device Exemption
“IFRS”	International Financial Reporting Standards
“Jiangsu Wuzhong”	Jiangsu Wuzhong Real Estate Group Co., Ltd.
“Listing Rules”	the Rules governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
“Main Board”	the Main Board of the Stock Exchange
“MDR”	Regulation (EU) 2017/745
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
“Mr. Zeng”	Mr. Min Frank Zeng (曾敏), a former executive Director
“Mr. Zi”	Mr. Zhenjun Zi (訾振軍), a former executive Director
“NMPA”	National Medical Products Administration (國家藥品監督管理局) and its predecessor, the China Food and Drug Administration (國家食品藥品監督管理總局)
“Nomination Committee”	the nomination committee of the Board

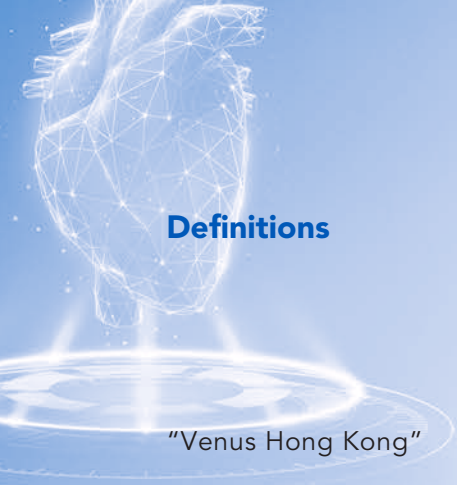
"PRC Employee Entities"	Hangzhou Qichu Investment Partnership (Limited Partnership) (杭州啓初投資合夥企業 (有限合夥)), Hangzhou Mingnuo Investment Partnership (Limited Partnership) (杭州明諾投資合夥企業 (有限合夥)), Hangzhou Qifei Investment Partnership (Limited Partnership) (杭州啓非投資合夥企業 (有限合夥)), Hangzhou Qihe Investment Partnership (Limited Partnership) (杭州啓和投資合夥企業 (有限合夥)), Hangzhou Qilai Investment Partnership (Limited Partnership) (杭州啓來投資合夥企業 (有限合夥)), Hangzhou Qili Investment Partnership (Limited Partnership) (杭州啓立投資合夥企業 (有限合夥)), Hangzhou QINUO Investment Partnership (Limited Partnership) (杭州啓諾投資合夥企業 (有限合夥)), Hangzhou Qisheng Investment Partnership (Limited Partnership) (杭州啓勝投資合夥企業 (有限合夥)) and Hangzhou Qixin Investment Partnership (Limited Partnership) (杭州啓心投資合夥企業 (有限合夥)), the beneficial interests of which are offered to certain key employees of the Company pursuant to the employee incentive scheme of our Company approved and adopted by our Board on March 10, 2017
"R&D"	research and development
"Reporting Period"	the six months period from January 1, 2026 to June 30, 2026
"RMB" or "Renminbi"	Renminbi Yuan, the lawful currency of China
"Scheme Limit"	the maximum limit on the number of H Shares which may be issued upon exercise of option(s) and vesting of award(s), if any, under the Share Option Scheme and all other share scheme(s) of the Company (excluding options or awards lapsed in accordance with relevant scheme rules), which must not exceed 10% of the total number of issued H Shares as at the date of the Shareholders' approval of the Scheme Limit



Definitions

"Service Provider(s)"	any advisor and consultant (natural person or corporate entity) who provide services to the Group on a continuing and recurring basis in the ordinary course of business of the Group that are in the interests of the long-term growth of the Group
"Service Provider Sublimit"	a sublimit under the Scheme Limit on the number of H Shares which may be issued to Service Providers upon exercise of option(s) and vesting of award(s), if any, under the Share Option Scheme and all other share scheme(s) of the Company (excluding options or awards lapsed in accordance with relevant scheme rules), which must not exceed 1% of the total number of H Shares in issue as at the date of the Shareholders' approval of the Service Provider Sublimit
"SFO"	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), as amended or supplemented from time to time
"Share(s)" or "share(s)"	ordinary share(s) in the capital of our Company with a nominal value of RMB1.0 each
"Share Option Scheme"	the H Share option scheme of the Company adopted on July 12, 2023, the principal terms of which are set out in Appendix I to the circular of the Company on June 21, 2023 and the sub-section headed "Share Option Scheme" in this report
"Shareholder(s)"	holder(s) of shares of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Supervisor(s)"	member(s) of the supervisory committee of the Company
"Supervisory Committee"	the supervisory committee of the Company
"Target Company"	Mitraltech Holdings Ltd., a private company incorporated under the laws of Israel

"TAV0"	TAV0 Balloon Aortic Valvuloplasty Catheter, one of our balloon transluminal aortic valvuloplasty catheter system products
"TAVR"	transcatheter aortic heart valve replacement, a catheter-based technique to implant a new aortic valve in a minimally invasive procedure that does not involve open-chest surgery to correct severe aortic stenosis
"TMVR"	transcatheter mitral valve replacement, catheter-based technique to implant a new mitral valve in a minimally invasive procedure that does not involve open-chest surgery
"TPVR"	transcatheter pulmonary valve replacement, a catheter-based technique to implant a new pulmonary valve in a minimally invasive procedure that does not involve open-chest surgery
"TTVR"	transcatheter tricuspid valve replacement, a catheter-based technique to implant a new tricuspid valve in a minimally invasive procedure that does not involve open-chest surgery
"Unauthorized Transactions"	has the meaning ascribed to it in the section headed "Scope of the Forensic Investigation" in the forensic investigation announcement of the Company dated February 23, 2024
"Unlisted Foreign Share(s)"	the issued ordinary share(s) of the Company with a par value of RMB1.00 issued to overseas investors, which are subscribed for and paid up in currencies other than Renminbi and not listed on any stock exchange
"U.S." or "USA"	the United States of America, its territories and possessions, any state of the United States and the District of Columbia
"US\$"	United States dollars, the lawful currency of the United States of America



Definitions

"Venus Hong Kong"	Venus Medtech (Hong Kong) Limited, a wholly-owned subsidiary of the Company
"Venus-PowerX"	Venus-PowerX Valve, one of our TAVR product candidates
"Venus-Vitae"	Venus-Vitae Valve, one of our TAVR product candidates
"VenusA series"	VenusA-Valve, VenusA-Plus and VenusA-Pro
"VenusA-Plus"	VenusA-Plus System, one of our TAVR products
"VenusA-Pro"	VenusA-Pro System, one of our TAVR products
"VenusA-Valve"	VenusA-Valve System, one of our TAVR products
"VenusP-Valve"	VenusP-Valve System, one of our TPVR products
"Xin Nuo Tong"	Xin Nuo Tong Investment Limited, a company controlled by Mr. Zi

In this report, the terms "associate" and "subsidiary" shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.