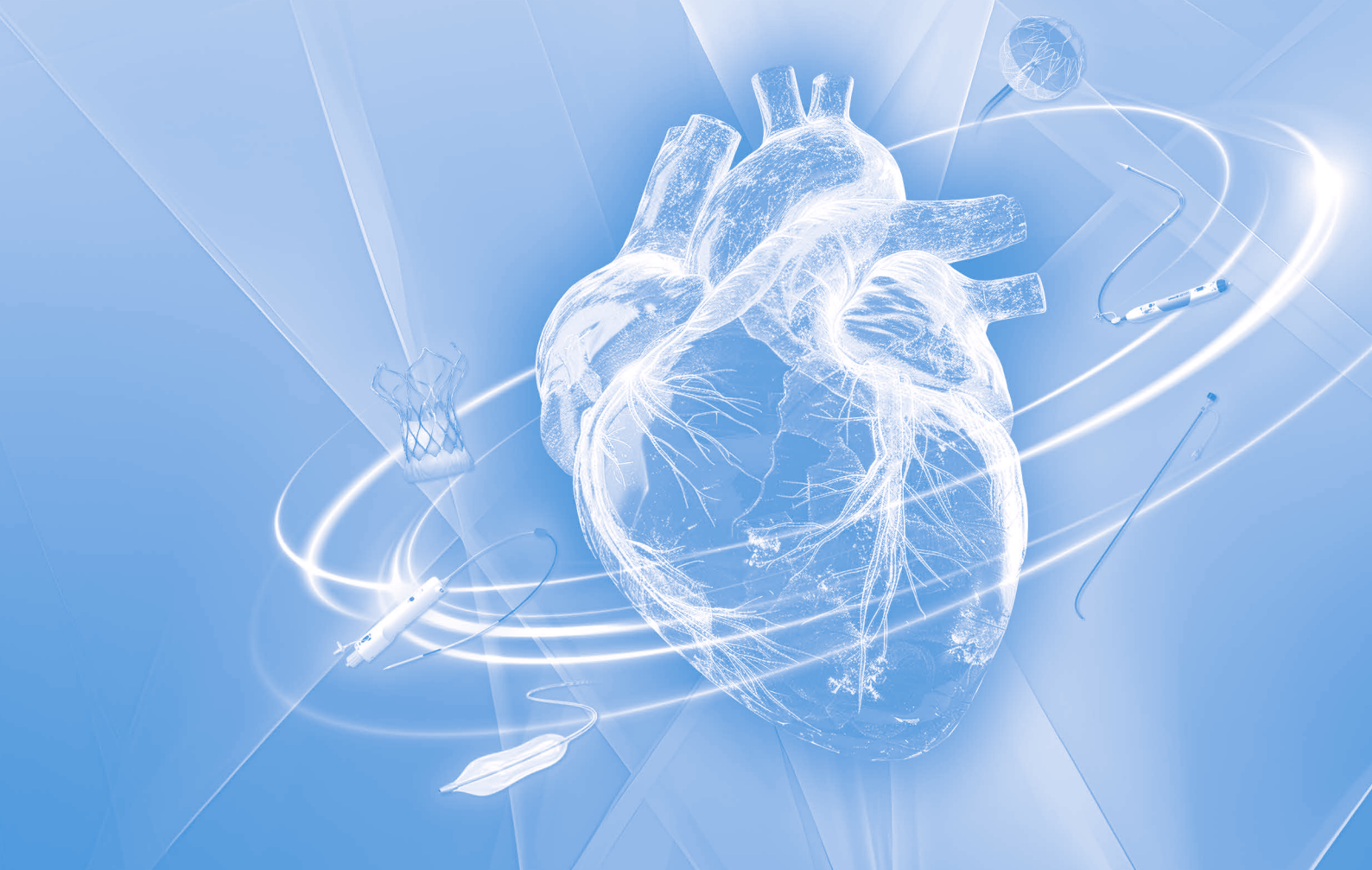
MicroPort™
心通医疗

MicroPort CardioFlow Medtech Corporation
微创心通医疗科技有限公司
(Incorporated in the Cayman Islands with limited liability)
Stock Code : 2160

2025
INTERIM REPORT

CONTENTS



DEFINITIONS AND GLOSSARY OF TECHNICAL TERMS

"4C Medical"	4C Medical Technologies, Inc., a company incorporated under the laws of the State of Delaware and mainly engaged in the R&D of mitral and tricuspid valve devices
"AccuSniper™"	AccuSniper™ double-layer balloon catheter
"Acquisition"	the sale and purchase of the 49% equity interest of MP CardioAdvent under the Equity Transfer Agreement
"AltaValve™"	AltaValve™ human mitral valve replacement medical device product
"Alwide®"	Alwide® balloon catheter
"Alwide® Plus"	Alwide® Plus balloon catheter
"AnchorMan® LAAA System"	AnchorMan® left atrial appendage access system
"AnchorMan® LAAC System"	AnchorMan® left atrial appendage closure system
"AnchorMan® Pro"	our new generation of LAAC system and LAAA system, which is currently in the R&D and design stage
"Angelguide®"	our first-generation tip-preshaped super stiff guidewire
"aortic valve"	the valve that prevents blood flowing back from aorta to left ventricle
"AR"	aortic regurgitation
"associate(s)"	has the meaning as defined in the Listing Rules
"Audit Committee"	the audit committee of our Company
"Board"	the board of directors of our Company
"Business Day"	a day on which banks in the PRC are generally open for business to the public and which is not a Saturday, Sunday or other days on which banks are required by law or authorized to suspend business in the PRC
"CE Mark"	a certification mark that indicates conformity with health, safety and environmental protection standards for products sold within the European Economic Area
"CG Code" or "Corporate Governance Code"	the Corporate Governance Code contained in Appendix C1 to the Listing Rules (as amended from time to time)

"China" or "PRC"	People's Republic of China, but for the purpose of this interim report and for geographical reference only and except where the context requires otherwise, references in this interim report do not apply to Hong Kong, Macau and Taiwan
"CICC Kangrui"	CICC Kangrui I (Ningbo) Equity Investment Limited Partners (Limited Partnership) (中金康瑞壹期(寧波)股權投資基金合夥企業(有限合夥)), a limited partnership established in the PRC and our pre-IPO investor
"Code Provision(s)"	the principles and code provisions set out in the CG Code
"Company" or "our Company" or "CardioFlow"	MicroPort CardioFlow Medtech Corporation (微创心通医疗科技有限公司), a company with limited liability incorporated under the laws of the Cayman Islands on January 10, 2019
"Director(s)"	the director(s) of our Company, including all executive, non-executive and independent non-executive directors
"Equity Transfer Agreement"	the equity transfer agreement dated May 30, 2025 among MicroPort Sinica, Shanghai Zuoqing, MP CardioAdvent and MP CardioFlow in respect of the Acquisition
"GFA"	gross floor area
"Global Offering"	the offer of the Shares for subscription as described in the Prospectus
"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", "our Group", "we", "us", or "our"	our Company and all of our subsidiaries or, where the context so requires, in respect of the period before our Company became the holding company of its present subsidiaries, the present subsidiaries of our Company and the businesses operated by such subsidiaries or their predecessors (as the case may be)
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"HKFRS"	Hong Kong Financial Reporting Standards
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Independent Physicians"	physicians who can perform TAVI with our products independently

"KOL(s)"	doctors that influence their peers' medical practice, including but not limited to prescribing behavior
"LAA"	left atrial appendage
"LAAC"	left atrial appendage closure
"Latest Practicable Date"	September 17, 2025, being the latest practicable date prior to the printing of this interim report for the purpose of ascertaining the information contained herein
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange. For the avoidance of doubt, the Main Board excludes the GEM of the Stock Exchange
"MDR"	Medical Device Regulation
"MicroPort®"	MicroPort Scientific Corporation (微創醫療科學有限公司), an exempted company incorporated in the Cayman Islands with limited liability whose shares are listed on the Main Board of the Stock Exchange (stock code: 00853)
"MicroPort® Group"	MicroPort® and all of its subsidiaries
"MicroPort Sinica"	MicroPort Sinica Co., Ltd. (微創投資控股有限公司), (formerly known as MicroPort Group Co., Ltd. (上海微創投資控股有限公司)), a limited liability company established in the PRC on April 9, 2013 and a wholly-owned subsidiary of MicroPort®
"mitral valve"	the valve that prevents the blood in left ventricle from flowing back to left atrium
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules
"MP CardioAdvent"	Shanghai MicroPort CardioAdvent Co., Ltd. (上海佐心醫療科技有限公司), a limited liability company established in the PRC on September 10, 2019
"MP CardioFlow"	Shanghai MicroPort CardioFlow Medtech Co., Ltd. (上海微創心通醫療科技有限公司), a limited liability company established in the PRC on May 21, 2015 and a wholly-owned subsidiary of our Company
"MR"	mitral regurgitation
"nitinol" or "NiTi"	nickel titanium, a metal alloy of nickel and titanium, where the two elements are present in roughly equal atomic percentages

"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), including its sub-division, such as the Center for Medical Device Evaluation (國家藥品監督管理局醫療器械技術審評中心)
"Nomination Committee"	the nomination committee of our Company
"PAV"	prosthetic aortic valve, the artificial valve of our TAVI products
"PET"	polyethylene terephthalate
"Prospectus"	the prospectus issued by our Company on January 26, 2021
"PVL"	paravalvular leakage, a complication associated with the implantation of a prosthetic heart valve through TAVI or surgical aortic valve replacement
"R&D"	research and development
"Remuneration Committee"	the remuneration committee of our Company
"Renminbi" or "RMB"	Renminbi, the lawful currency of the PRC
"Reporting Period"	the six months ended June 30, 2025
"SFO"	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
"Shanghai MicroPort"	Shanghai MicroPort Limited, a company incorporated in the BVI with limited liability on January 8, 2019, a wholly-owned subsidiary of MicroPort® and one of our controlling shareholders
"Shanghai Xinyong"	Shanghai Xinyong Medical Technology Co., Ltd. (上海心永醫療科技有限公司), a limited liability company established in the PRC on June 21, 2024, whose establishment is solely for the purpose of being used as a vehicle to acquire and hold the target property from Shanghai MicroPort Medical
"Shanghai Zuoqing"	Shanghai Zuoqing Enterprise Management Consulting Service Centre (Limited Partnership) (上海佐擎企業管理諮詢服務中心(有限合夥)), a limited partnership established in the PRC on May 12, 2020 and an employee shareholding platform of MP CardioAdvent
"Share Award Scheme"	the share award scheme adopted by our Company on March 30, 2021, as amended from time to time
"Share Option Scheme"	the share option scheme adopted by our Company on March 13, 2020 and terminated and replaced by the Share Scheme on June 27, 2023

"Share Scheme"	the share scheme adopted by our Company on June 27, 2023
"Share(s)"	ordinary share(s) in the share capital of our Company of US$0.000005 each
"Shareholder(s)"	holder(s) of our Share(s) from time to time
"sq.m"	square meter, a unit of area
"Stock Exchange"	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
"STS Score"	Society of Thoracic Surgery risk score or percentage point, a validated risk-prediction model for open surgery, the higher value of which indicates the higher risk of patients to conduct a surgery
"subsidiary(ies)"	has the meaning ascribed to it thereto in section 15 of the Companies Ordinance, Chapter 622 of the Laws of Hong Kong
"substantial shareholder(s)"	has the meaning ascribed to it in the Listing Rules
"TAVI"	transcatheter aortic heart valve implantation, a catheter-based technique to implant a new aortic valve in a minimally invasive procedure that does not involve open-chest surgery to correct severe aortic stenosis
"TMV"	transcatheter mitral valve, which refers to treatment methods for mitral valve diseases through transcatheter approach
"TMVR"	transcatheter mitral valve replacement, a catheter-based technique to implant a new mitral valve in an interventional procedure that does not involve open-chest surgery
"TR"	tricuspid regurgitation
"Treasury Shares"	has the meaning ascribed thereto under the Listing Rules
"TTV"	transcatheter tricuspid valve, which refers to treatment methods for tricuspid valve diseases through transcatheter approach
"TTVR"	transcatheter tricuspid valve replacement, a catheter-based technique to implant a new tricuspid valve in an interventional procedure that does not involve open-chest surgery
"U.S." or "United States"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"US$" or "US dollars"	United States dollars, the lawful currency of the United States

"Valcare"	Valcare, Inc., a company incorporated under the laws of the State of Delaware and mainly engaged in the R&D of mitral valve and tricuspid valve medical devices
"VAT"	value-added tax
"VitaFlow®"	unless the context indicates otherwise, "VitaFlow®" refers to the VitaFlow® transcatheter aortic valve implantation system, which comprises of a PAV, a motorized delivery system and certain procedural accessories
"VitaFlow Liberty®"	unless the context indicates otherwise, "VitaFlow Liberty®"refers to the VitaFlow Liberty® transcatheter aortic valve implantation system, which comprises of a PAV, a motorized delivery system and the tip-preshaped super stiff guidewire Angelguide®
"VitaFlow Liberty® AR"	a TAVR product for the treatment of patients with AR, which is currently in R&D and design stage
"VitaFlow Liberty® Flex"	unless the context indicates otherwise, "VitaFlow Liberty® Flex" refers to the VitaFlow Liberty® Flex transcatheter aortic valve implantation system, an upgrade to VitaFlow Liberty® delivery system, designed to work with the Group's approved aortic valve products
"VitaFlow Liberty® Pro"	our fourth-generation product of the VitaFlow® series, which is currently in R&D and design stage
"VitaFlow Liberty® SELFValve™"	a TMVR product for the treatment of patients with MR, and we are currently advancing the human application and validation of the product in multiple centers
"VitaFlow® Triumph™"	a TTVR product for the treatment of patients with TR, which is currently in the R&D and design stage
"VitaMan™"	a ventricular septum reconstruction product designed for post-myocardial infarction ventricular septal rupture, which is currently in the R&D and design stage
"%"	per cent

CORPORATE INFORMATION

DIRECTORS

Executive Directors

Mr. Zhang Ruinian
(appointed with effect from March 27, 2025)
Mr. Zhao Liang
Ms. Yan Luying
Mr. Jeffrey R Lindstrom
(resigned with effect from March 27, 2025)

Non-Executive Directors

Mr. Chen Guoming *(Chairman of the Board)*
Mr. Zhang Junjie
Ms. Wu Xia

Independent Non-Executive Directors

Mr. Jonathan H. Chou
Ms. Sun Zhixiang
Dr. Hu Bingshan
(appointed with effect from June 27, 2025)
Dr. Ding Jiandong
(retired with effect from June 27, 2025)

JOINT COMPANY SECRETARIES

Ms. Li Xiangmei *(ACG HKACG)*
Ms. Chan Lok Yee *(ACG HKACG)*

AUTHORIZED REPRESENTATIVES

Mr. Chen Guoming
Ms. Chan Lok Yee *(ACG HKACG)*

AUDIT COMMITTEE

Mr. Jonathan H. Chou *(Chairman)*
Ms. Sun Zhixiang
Dr. Hu Bingshan
(appointed with effect from June 27, 2025)
Dr. Ding Jiandong
(retired with effect from June 27, 2025)

REMUNERATION COMMITTEE

Ms. Sun Zhixiang *(Chairwoman)*
Mr. Chen Guoming
Mr. Jonathan H. Chou

NOMINATION COMMITTEE

Mr. Chen Guoming *(Chairman)*
Ms. Sun Zhixiang
Dr. Hu Bingshan
(appointed with effect from June 27, 2025)
Dr. Ding Jiandong
(retired with effect from June 27, 2025)

REGISTERED OFFICE

Vistra (Cayman) Limited
P.O. Box 31119 Grand Pavilion
Hibiscus Way, 802 West Bay Road
Grand Cayman
KY1-1205
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

No. 1661 Zhangdong Road
Zhangjiang Hi-Tech Park
Pudong New District
Shanghai, PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1901, 19/F, Lee Garden One
33 Hysan Avenue, Causeway Bay
Hong Kong

COMPANY'S WEBSITE

www.cardioflowmedtech.com

PRINCIPAL BANK

Shanghai Pudong Development Bank
Zhangjiang Innovation Sub-branch
56 Boyun Road
Pudong New District
Shanghai, PRC

LEGAL CONSULTANT

Kirkland & Ellis
26/F, Gloucester Tower
The Landmark
15 Queen's Road Central
Hong Kong

AUDITOR

KPMG
Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance
8th Floor, Prince's Building
10 Chater Road, Central
Hong Kong

PRESIDENT'S STATEMENT

Mr. Zhang Ruinian
President

Dear Shareholders,

The first half of 2025 witnessed the steady development of China's structural heart disease industry, driven by multiple factors such as technological innovation and market expansion, while the market also confronted challenges from intensifying market competition. Under competition pressure and uncertainties brought by potential change of policies, by leveraging our exceptional product features and effective commercialization strategies, our Group maintained its leading position in China TAVI market, and achieved remarkable progress in both overseas expansion and LAA products commercialization. In addition, our Group has further enhanced operational efficiency and intensified cost-reduction and effectiveness initiatives, achieving a significant reduction in losses, solidifying the foundation for our robust and sustainable growth. In China, our Group has maintained a leading market share in domestic TAVI market, leveraging its excellent clinical results of products, resilient client base and extensive brand recognition. Significant progress has been made in expanding new centers, and cultivation of a growing number of Independent Physicians. Our TAVI products have rapidly penetrated in 23 countries/regions, with remarkable growth in global markets, and revenue from overseas surged. Meanwhile, as awareness of stroke prevention in non-valvular atrial fibrillation grows amongst both patients and experts, LAAC surgery volumes are growing globally, and our LAA segment is also positioned for growth. During the Reporting Period, our AnchorMan® LAAC System achieved a significant increase in commercial implantations in the domestic market, and successfully received CE Mark, demonstrating the commencement of its global expansion, with its tremendous potential in international commercialization. Continuously enhancing product performance, we have been dedicated to provide more reliable treatment solutions for patients worldwide, while propelling China's structural heart disease industry to new heights through technological innovation and global expansion.

Maintained Leadership in Domestic TAVI Market, Overseas Business Achieve High Growth

During the Reporting Period, our Group achieved over 2,100 TAVI implantations, ranking first in domestic TAVI market, with improved coverage of new centers and sustained growth in leading centers, continuously enhancing the breadth of our business coverage. Meanwhile, our TAVI products achieved rapid overseas expansion, with successful global registrations and commercialization, covering 23 countries/regions globally. The VitaFlow Liberty® series products and Alwide® Plus have gained widespread recognition from patients and physicians in Europe, South America, and the Asia-Pacific region for the outstanding clinical performance and reliability, driving 235.3% increase in overseas revenue. Currently our products have entered over 140 overseas hospitals, and more than 50 independent physicians has been trained, further solidifying the reputation of China's innovative medical devices in the global structural heart disease industry. We have four products with CE Mark, including VitaFlow Liberty®, AnchorMan® LAAC System, AnchorMan® LAAA System, and Alwide® Plus, which constructed an increasingly comprehensive international product portfolio, and the synergy effect amongst products will effectively accelerate our global commercialization and further solidify CardioFlow brand in high-end medical devices.

Moving forward, we will continue to consolidate our domestic business, deepen our presence in international markets, accelerating product registrations and commercialization in emerging regions to fuel sustained overseas growth.

LAA Sector Contributed Rapid Revenue Increment, Gloabal Expansion with Steady Progress

Currently our independently-developed AnchorMan® LAAC System and LAAA System demonstrated strong commercialization performance, expanding to nearly 90 hospitals. Our AnchorMan® LAAC System obtained CE Mark approval in February 2025, marking our official entry into Europe — one of the largest and most promising LAAC markets globally. During the Reporting Period, the commercialization of AnchorMan® LAAC System and LAAA System was successfully launched across multiple markets, with the implantations performed in Poland, Hong Kong and Macau, receiving high praise from physicians and patients. Given its innovative design and excellent clinical outcomes demonstrated in cumulative cases, we are highly confident in the overseas commercialization prospects of the AnchorMan® series products.

We will continue collaborating with leading global centers and KOLs while steadily advancing registrations in emerging markets. The continued global expansion of our LAAC products will provide a superior stroke prevention solution for non-valvular atrial fibrillation patients worldwide, further diversifying our revenue.

Product Portfolio Strengthened, Innovation Pipeline Accelerates

Innovation is the cornerstone of our vision to "build a leading enterprise of emerging technologies in structural heart diseases treatment". During the Reporting Period, our product portfolio has been further enriched: Our proprietary VitaFlow Liberty® Flex-the world's only truly coaxial, steerable, self-expanding TAVI delivery system-officially launched. Numerous real-world clinical results demonstrated its excellent clinical performance in complex TAVI procedures, and its innovative design and outstanding features has earned acclaim from physicians and patients. Development of our fourth-generation TAVI product VitaFlow Liberty® Pro and new VitaFlow® AR for AR indications is progressing rapidly. The new-generation AnchorMan® Pro LAAC System and LAAA System are under active development, aiming to deliver an enhanced procedural experience and clinical outcomes. Our TMVR product has completed dozens of human implants with up to two-year follow-up data, yielding highly encouraging results. The AltaValve™ TMVR System developed with our partner is advancing through global pivotal clinical trials. In addition, we are actively advancing new-generation innovative pipelines spanning TTV products, procedural accessories, and ventricular septal reconstruction products. As these innovative pipelines gradually come to fruition, they will significantly improve the quality of life for patients across the structural heart disease spectrum.

Operational Efficiency Optimized, Foundation for Sustainable Growth Consolidated

Our Group remains committed to growth on the basis of healthy and sustainable development, and continuously refine resource allocation, enhance team productivity, and optimize supply chain management. During the Reporting Period, our efficient operational strategies effectively controlled costs, improved sales efficiency, and significantly reduced operating expense ratio, contributing to a robust commercial profit growth, achieving a significant reduction in losses while maintaining excellence in capital management. These efforts not only provide strong support for long-term performance but also establish a competitive edge for our Group confronting future market challenges.

Looking Ahead

Our Group will uphold our mission "to provide trustworthy and universal access to state-of-the-art solutions of prolonging and reshaping all lives", continue to consolidate our leadership in domestic TAVI market, accelerate the commercialization of new products, advance our globalization strategy, explore emerging markets, and further enhance operational efficiency to achieve new breakthroughs in both business performance and technological innovation. Driven by innovation and our patient-centric values, we will collaborate with global partners to push the boundaries of the structural heart disease industry.

On behalf of the entire Group, I extend our deepest gratitude to all shareholders, suppliers, distributors, physicians, and partners for their trust and support. The Group's Directors, senior management and all employees will remain steadfast in our commitment to integrity and excellence, striving to create greater social value and Shareholder returns.

FINANCIAL HIGHLIGHTS

CONSOLIDATED STATEMENTS OF PROFITS OR LOSS

	For the six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Revenue	**229,103**	223,138
Gross profit	**160,922**	158,224
Profit/(loss) from operations	**3,817**	(28,480)
Loss for the period	**(2,197)**	(57,753)
Loss per share — Basic and diluted (in RMB cents)	**(0.09)**	(2.40)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As of	
	June 30, 2025	December 31, 2024
	RMB'000	RMB'000
	(unaudited)	(audited)
Non-current assets	**963,740**	1,001,279
Current assets	**1,703,768**	1,674,483
Total assets	**2,667,508**	2,675,762
Non-current liabilities	**205,013**	20,182
Current liabilities	**245,534**	433,891
Total liabilities	**450,547**	454,073
Total equity	**2,216,961**	2,221,689

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Overview

In the first half of 2025, the China's structural heart diseases industry continued to make significant advances in technological innovation, product registration, and commercialization. As one of the important means of interventional treatment of valvular heart diseases, TAVI procedures welcomed a wave of new product launches. Concerted efforts in academic exchanges, propaganda and education among doctors and patients, and the promotion of procedure further increased the penetration rate and drove a steady growth in the industry scale. As an effective means for stroke prevention in patients with nonvalvular atrial fibrillation, the LAAC has made notable breakthroughs in technological innovation and domestic substitution. With the promotion of the "catheter ablation + LAAC" one-stop procedure, the number of procedures has increased rapidly. Nevertheless, the structural heart diseases industry is now grappling with price pressures brought by intensifying competition and the looming challenge of centralized volume-based procurement policies. In the long run, only companies that combine innovative technologies, cost advantages, long-term clinical data, a broad patient base, resilient supply chains and market foresight will rise above the fray and emerge as the industry's backbone.

During the Reporting Period, the Group's TAVI products made significant progress in global commercialization based on their excellent clinical results and high recognition from physicians and patients in real-world applications. In China, new access to more than 30 additional hospitals brought the Company's business coverage to over 670 hospitals, and maintained stable growth in leading hospitals, achieving 2,146 implantations during the Reporting Period. Overseas, VitaFlow Liberty® obtained CE Mark, becoming the first "China Intelligent Manufacturing" TAVI system to enter the European market, and accelerating our international commercialization into high gear. By the end of the Reporting Period, our TAVI products have entered more than 140 overseas hospitals across over 20 countries and regions, including Argentina, Colombia, Thailand, Russia, Italy, Spain, Chile, Switzerland and Brazil, achieving almost 250 implantations during the Reporting Period.

As of the Latest Practicable Date, we have completed the acquisition of the remaining 49% equity interest in MP CardioAdvent. MP CardioAdvent became a wholly-owned subsidiary of the Group upon the completion. The self-developed AnchorMan® LAAC System and LAAA System by MP CardioAdvent have successively received the NMPA and CE Mark approvals. As of the Latest Practicable Date, AnchorMan® LAAC System and LAAA System have achieved over 750 commercial applications in nearly 90 medical centers across 18 provinces and cities in China, with no serious complications and a 100% success rate. AnchorMan® LAAC and LAAA System received CE Mark and commercialized in Europe, and achieved implantations in Poland, Hong Kong and Macau respectively, which marks the official commencement of its global expansion.

Our global registrations were also progressing steadily: during the Reporting Period, VitaFlow Liberty® has newly received registration approvals in Kazakhstan, Latvia, Sweden, Ecuador and Brazil. As of the Latest Practicable Date, including the CE Mark, VitaFlow Liberty® has received registration approvals in 22 countries/territories in total. The registrations of VitaFlow Liberty® and Alwide® Plus have also reached milestone achievements in emerging markets such as Australia. AnchorMan® LAAC System obtained CE approval, becoming the only LAAC System to date certified by both CE-MDR and NMPA. Its registration in emerging markets was also advancing efficiently. Alwide® Plus received CE Mark approval in August 2025. As of the Latest Practicable Date, Alwide® Plus has received registration approvals in 14 countries or regions.

While accelerating the pace of commercialization, we have continued to carry out the strategic R&D roadmap to provide trustworthy and universal access to state-of-the-art total solutions to treat structural heart diseases in an orderly and efficient manner, providing continuous momentum for the Group's rapid and healthy development. During the Reporting Period, continuing to adhere to the principle of intensification, we have consolidated resources for projects candidates, and planned progress of projects reasonably, thereby more efficiently advancing the R&D process of products that can quickly generate revenue, and orderly promoting the medium-and long-term projects to achieve the R&D milestones. In addition to self-development, we have also been actively seeking opportunities to collaborate with advanced products and technologies, both domestic and overseas, in the field of structural heart disease in order to expand our product portfolio.

Our Pipeline

As of the Latest Practicable Date, our in-house developed product portfolio consists of seven registered products — VitaFlow®, VitaFlow Liberty® (including procedural accessories as supporting supply), VitaFlow Liberty® Flex, Alwide® Plus, AccuSniper™, AnchorMan® LAAC System and AnchorMan® LAAA System, and various TAVI products, TMV products, TTV products, LAA products, ventricular septum reconstruction product and procedural accessories at different development stages. In addition to our in-house developed product portfolio, we also collaborated with our business partner, namely 4C Medical, with respect to certain TMV and TTV products, for which we own the exclusive commercial rights in China.

The following chart summarizes our product portfolio comprised of the products that we developed in house and in collaboration with our business partners as of the end of the Reporting Period:

Product			Pre-clinical	Clinical trial	Registration
Aortic valve products	VitaFlow® System	VitaFlow®			Launched; Successfully registered in Argentina and Thailand
		Alwide® balloon catheter*			Launched; Successfully registered in Argentina and Thailand
	VitaFlow Liberty® System	VitaFlow Liberty® *(Retrievable)* ★★			Launched; Successfully registered in 21 countries/regions including EU, Argentina, India and Russia; Registration in emerging markets in progress
		Angelguide® tip-preshaped super stiff guidewire* ★			Launched; Successfully registered in 5 countries/regions including Argentina, Colombia and Brazil
	VitaFlow Liberty® Flex *(Steerable delivery system)*				Launched
	VitaFlow Liberty® Pro *(Lower profile, better durability and hydrodynamic properties)* ★		Design stage		
	VitaFlow® AR ★		Design stage		
Mitral valve products	VitaFlow® SELFValve™ ★		FIM Study		
	AltaValve™ – Replacement product ★★ *(Partnership with 4C Medical – commercialization rights in China)*		FIM Study	Pivotal IDE study in progress	
Tricuspid valve products	VitaFlow® Triumph™ ★		Design stage		
	Replacement product *(Partnership with 4C Medical)* ★		Design stage		
Procedural accessories	Alwide® Plus balloon catheter ★★				Launched; Successfully registered in 14 countries/regions including EU, Argentina, Russia and Colombia; Registration in emerging markets in progress
	AccuSniper™ double-layer balloon catheter				Launched
	Expandable sheath ★		Design stage		
Ventricular septum reconstruction product	VitaMan™ ventricular septum reconstruction system ★		Design stage		
LAA products	AnchorMan® left atrial appendage closure system ★★				Launched; Received CE Mark
	AnchorMan® left atrial appendage access system				Launched; Received CE Mark
	AnchorMan® Pro left atrial appendage closure system ★		Design stage		
	AnchorMan® Pro left atrial appendage access system (steerable) ★		Design stage		

China status

Global status

★ Major Progress during the Reporting Period

* These procedural accessories are registered and commercialized offered as part of VitaFlow® or VitaFlow Liberty® system and are not registered as standalone product in China.

VitaFlow®

Our self-developed first-generation TAVI product, VitaFlow®, obtained the NMPA approval for registration in July 2019 and started to commercialize in China in August 2019. VitaFlow® primarily consists of a PAV, a motorized delivery system and certain procedural accessories. The PAV is a self-expanding bio-prosthesis valve that is manufactured by suturing bovine pericardial valve leaflets and a double-layer PET skirt onto a self-expanding nitinol frame. The motorized delivery system consists of a catheter and a motorized handle. The procedural accessory is our first-generation Alwide® balloon catheter, which is designed to help physicians overcome the challenges in performing TAVI procedures. We conducted a prospective, multi-center and single-arm pivotal clinical trial in China with VitaFlow®, which enrolled 110 patients with STS Score of 8.8%. The 5-year follow-up results of the clinical trial were released in July 2022, in which the all-cause mortality rate at 5-year follow-up was 18.2%, and the incidence of major stroke cases was only 2.1%; in 2024, the 8-year follow-up results of the clinical trial were released, in which the all-cause mortality rate at 8-year follow-up was 39.1%, and the cardiac mortality rate was only 20.6%. Compared with other commercially available TAVI products in China, VitaFlow® performed better in terms of all-cause mortality rate and postoperative complications (including moderate/severe PVL, major stroke and vascular complications). This excellent clinical data provides strong support for the safety and efficacy of VitaFlow®, as well as a solid clinical basis for the global expansion of the product. In July 2020 and November 2020, VitaFlow® was registered in Argentina and Thailand, respectively.

VitaFlow Liberty®

VitaFlow Liberty® is our self-developed second-generation TAVI product, which consists of a PAV, a motorized delivery system and a tip-preshaped super stiff guidewire Angelguide®, where the PAV adopts the same design with VitaFlow®. Compared with VitaFlow®, the key upgrade for VitaFlow Liberty® lies in the unique and innovative structure of the delivery system that enables retrieval of the PAV while ensuring excellent navigability, which helps to traverse challenging anatomical structures. The system is equipped with the first commercialized motorized handle worldwide, enabling deployment and retrieval of the PAV being conducted in a stable, accurate and fast manner. A physician may retrieve the PAV up to three times if it is not placed accurately at the designated position during deployment of the PAV, provided that the deployment does not exceed 75% of the maximal deployment range. The retrieval function helps increase the accuracy of positioning the PAV, thereby further improving the overall success rate of the TAVI procedure. In addition, Angelguide® features high guidewire rail support and smooth transition to reduce the risk of vascular damage and enhance the accuracy of deployment. VitaFlow Liberty® has won the German Red Dot Award: Product Design and the Italy A' Design Award for its innovative design concept and outstanding product performance, showing the international recognition of our innovative product design and the CardioFlow brand and laying a solid foundation for the internationalization of VitaFlow Liberty®. VitaFlow Liberty® obtained the NMPA approval for registration in August 2021 and received CE Mark in April 2024. In addition, As of the Latest Practicable Date, VitaFlow Liberty® was successively registered in 20 overseas countries/territories, such as Argentina, Colombia, Thailand and Russia, etc.. Its registration in emerging markets, such as Australia and Mexico, etc., was also progressing in an orderly manner.

VitaFlow Liberty® Flex

VitaFlow Liberty® Flex, our third-generation TAVI product, received the approval from the NMPA in December 2024 and is now smoothly advancing commercialization. It is the world's only "true" coaxial steerable self-expanding transcatheter aortic heart valve delivery system. It inherits all the advantages of VitaFlow Liberty®, and innovatively adds a 3D spatial steerable function. Its unique Capsule segment internal control steerable technology allows the valve to remain coaxial during release, resulting in a more stable and precise implantation as well as a smoother and safer over-arching and trans-valve. In addition, the system realizes junctional alignment during valve release, protecting the coronary artery pathway and reserving space for future coronary artery interventions. VitaFlow Liberty® Flex delivers precise control and high efficiency with proven safety, offering a new solution for treating complex cases. During the Reporting Period, VitaFlow Liberty® Flex's results of several early exploratory clinical implantations have been announced, with excellent immediate surgical outcomes, significant improvement in relevant indicators of patients at 30-day follow-up compared to pre-surgery, and good health recovery in patients whose postoperative follow-ups for up to one year. Moreover, real-world results from the first 188 cases also demonstrated VitaFlow Liberty® Flex's excellent clinical performance and superior user experience in complex TAVI procedures, earning widespread acclaim from physicians.

Alwide® Plus

Alwide® Plus is our self-developed second-generation heart valve balloon catheter product, which can be applied with our three generations TAVI products, designed to dilate calcified aortic valves prior to TAVI, and can reduce the challenges in performing valvuloplasty during TAVI procedures. Its key features include: (i) ultra low compliance ability enables more accurate balloon dilatation, avoiding blood vessel damage; (ii) high burst pressure performance enables effectively dilate severe calcification sites, better addressing the trait of high calcification in patients; (iii) fast inflation/deflation performance minimizes the impact of prolonged blood flow obstruction on cardiac function, reducing pacing time and lowering surgical risk; and (iv) excellent puncture resistance ensures the safety of intraoperative balloon dilatation, providing physicians with a better user experience. Alwide® Plus received the NMPA approval in August 2021, and received CE Mark approval in August 2025. Besides, Alwide® Plus has received registration approvals in 12 overseas countries or regions successively.

AnchorMan®

The Group's self-developed AnchorMan® LAAC System and AnchorMan® LAAA System are interventional medical solutions for stroke prevention in nonvalvular atrial fibrillation. Compared to traditional open and closed LAAC, AnchorMan® LAAC System combines their merits. Through the semi-closed structure formed by the 12 "3D folding" units and the frame, it solves the clinical pain point that the access sheath of the traditional plug-in closure device must deep into the atrial appendage, and achieves stable anchoring; its rounded and soft distal end could reduce damage to the atrial appendage tissue; the dense NiTi alloy frame design allows very tight conformity to the anatomy of atrial appendage and achieves better sealing performance. In addition, two deployment models of advancement and unsheathe are available to provide more options for physicians. AnchorMan® LAAA System is compatible with AnchorMan® LAAC System to provide the femoral venous and trans-atrial septal access.

VitaFlow Liberty® Pro

We are developing the fourth-generation product of the VitaFlow series, VitaFlow Liberty® Pro, which will continue the technical features of this series, such as controllable bending and strong support. At the same time, we are continuously focusing on enhancing safety and effectiveness, and such as providing better choices for physicians in terms of low profile, durability and hydrodynamics to provide patients with products that are both reliable and affordable. The product is currently in the R&D and design stage.

We may not be able to successfully develop and commercialize VitaFlow Liberty® Pro.

VitaFlow® AR

We are developing VitaFlow® AR, a TAVR product for the treatment of patients with AR. Its design aims to deliver (i) dry tissue for better biocompatibility and anti-calcification properties; (ii) low oversize and low implantation depth to reduce pacemaker dependency; and (iii) commissure alignment to facilitate coronary artery treatment. The product is currently in the R&D and design stage.

We may not be able to successfully develop and commercialize VitaFlow® AR.

VitaFlow® SELFValve™

We are developing VitaFlow® SELFValve™, a TMVR product for the treatment of patients with MR, which is featured with large orifice, low subvalvular height and dry tissue technology, and its operation is simple and physician-friendly. We have now completed dozens of human applications of the TMVR product and postoperative follow-ups of relevant patients for up to two years and are advancing the human application and validation of the product in multiple centers, so as to accumulate clinical experience for the subsequent large scale clinical trials of the product.

We may not be able to successfully develop and commercialize VitaFlow® SELFValve™.

VitaFlow® Triumph™

We are developing VitaFlow® Triumph™, a TTVR product for the treatment of patients with TR, which are designed with features dedicated to achieving: (i) independent of radial force for anchoring, ensuring stable anchoring and reducing the pacemaker-implantation rate; (ii) dry tissue for better biocompatibility and anti-calcification properties; and (iii) precise deployment via the femoral vein, with low learning curve and better experience for physicians. The product is currently in the R&D and design stage.

We may not be able to successfully develop and commercialize VitaFlow® Triumph™.

AnchorMan® Pro

The Group is developing AnchorMan® Pro, a new generation of LAAC System and LAAA System. Its design aims to (i) improve recovery performance and reduce payout rates; (ii) cover larger LAAC; (iii) reduce procedure difficulty and avoid re-perforation of the septum; and (vi) reduce the risk of device thrombosis and reduce or even avoid the use of postoperative anticoagulants. The product is currently in the R&D and design stage.

We may not be able to successfully develop and commercialize AnchorMan® Pro.

VitaMan™

We are developing VitaMan™, a ventricular septum reconstruction product, which is the world's first and only device specifically designed for post-myocardial infarction ventricular septal rupture, enabling safer, more effective life-saving intervention. By filling this critical market void, it also elevates our brand influence. The product is currently in the R&D and design stage.

We may not be able to successfully develop and commercialize VitaMan™.

R&D

R&D is crucial to our growth. We have been practicing our mission "to provide trustworthy and universal access to state-of-the-art solutions of prolonging and reshaping all lives" by deeply rooting ourselves in the field of structural heart disease with higher standards and better practices and committing ourselves to innovation and R&D of the world-leading structural heart disease technologies, to create a technological innovation system integrating production, education and research, bring high-quality products and services to the global market, and provide the most powerful driving force for the Group's sustainable development. We have a core R&D team with key technology expertise in areas including, among others, biological material, structure design and processing technique. The team focuses on the R&D of new technologies and materials that have the potential to be applied to our product portfolio. We have established several cross-functional project teams encompassing project management, R&D, process, procurement, quality, registration, clinical trial and medical technology. These teams collaborate from the early planning and pre-research stages of new products, implementing full life cycle management of products. They comprehensively control and anticipate aspects including technological innovation, intellectual property protection, cost control, assembly feasibility, manufacturability, compliance, and market access, thereby enhancing the success rate of R&D projects. We also have an international scientific advisory board, consisting of global leading scientists and physicians in the cardiovascular field, who share their abundant experiences and insights on the latest technology breakthroughs and the latest trends in the treatment of valvular heart diseases worldwide.

Intellectual Properties

Intellectual properties are important intangible assets of our Group and a key factor to maintain and enhance our core competitiveness. Thus, we attach great importance to intellectual properties protections such as patent application, trademark registration, business secret control, etc., while devoting ourselves to technological innovation.

During the first half of 2025, we newly registered 24 patents in China. Meanwhile, we added a total of 5 patents in South Korea, Japan, Australia, United States and Europe. As of June 30, 2025, we owned 236 patents in China, including 77 invention patents, 147 utility models and 12 industry designs, and 122 pending patent applications, including 120 invention patents and 2 utility models. To drive our internationalization strategy, as of June 30, 2025, we also owned 134 patents in Japan, Switzerland, Portugal, the United Kingdom, Italy, Germany, France, Spain, United States, South Korea, Australia, Brazil and India, among others. All of the patents that we owned or applied for are related to technologies of our products or product candidates and are self-developed by our R&D team. As of the end of the Reporting Period, with 2 newly registered ones, the total number of our approved trademarks worldwide reached 122.

Supply Chain

Our production plant with a total GFA of approximately 14,000 sq.m. in Shanghai is able to provide an annual production capacity of 25,000 sets of TAVI products and 6,000 sets of LAAC products, providing a solid supply guarantee for the continuous improvement on sales and supporting our Group's rapid development in the future. We have additionally acquired the right to use a high-tech designated land parcel in Shanghai with an area of 13,320 sq.m, as well as buildings on the land parcel with a total GFA of nearly 9,000 sq.m. It is expected to be put into use in the second half of 2025 and will serve as the Group's global headquarters for the expansion of our business operations in R&D, production, and office purposes, as well as a R&D and production base for LAA medical devices to timely meet the capacity expansion demands for LAA medical devices. Our production facilities and equipment follow the GMP of the European Union and China.

Through close communication and collaboration with global suppliers based on the concept of win-win cooperation, we accelerate the diversified supplier development and the local sourcing of raw materials while maintaining a stable supply of raw materials to enhance supply chain resilience and agility, and continuously optimize product costs. We have also achieved in-house production of certain key raw materials, which not only significantly reduced costs but also broke the foreign monopoly on these critical raw materials, thereby eliminating the potential risks associated with exclusive supply. In addition, we have established an advanced quality management system and introduced the concept of operational excellence, while strengthening the development of our manufacturing system. On the premise of ensuring product quality, we continuously reduce manufacturing costs to cope with increasingly fierce market competition and support the Company's long-term growth. Meanwhile, we also utilize advanced information technology systems to further enhance and improve the quality and efficiency of our operational management.

Commercialization

As of the Latest Practicable Date, we have successfully commercialized seven products, four of which have obtained CE Mark, including VitaFlow Liberty®, AnchorMan® LAAC System and LAAA System, and Alwide® Plus. We had commercialized our TAVI products in 23 countries, including China, Argentina, Colombia, Thailand, Russia, Chili and Switzerland through nearly 680 domestic hospitals and 140 overseas hospitals. The Independent Physicians of our TAVI products are over 500 in China and over 50 overseas. Our procedural accessory Alwide® Plus received CE Mark in August 2025, and received registration approvals in 14 countries or regions in total. Our LAAC products have been adopted in nearly 90 domestic hospitals, completed over 750 commercial applications and cultivated over 70 Independent Physicians. AnchorMan® LAAC System and LAAA System have also received CE Mark, and have been successfully implanted in Poland, Hong Kong and Macau. Our four products with CE Mark will fully leverage the synergistic effects of the product portfolio, mutually promote each other's commercialization processes, continuously consolidating the Group's overall competitiveness in the international high-end medical device market, and further enhancing the implementation of the Group's overseas strategy.

We have a dedicated in-house team (the "**Total Solutions Team**") with professional medical background to promote our medical solutions, which aims to promote the Group's innovative transcatheter and surgical solutions for structural heart diseases, including TAVI and LAAC. As of the end of the Reporting Period, our Total Solutions Team had over 170 full-time employees. We leverage on the resources and advantages of MicroPort® Group in the field of cardiac and cardiovascular disease treatment, which bring synergies in the aspects of market access, operation support, first-line promotion, market expansion, medical education and international business, amongst others, into full play. We are committed to providing structural heart diseases patients and physicians with comprehensive medical solutions including disease diagnosis and evaluation, procedure and product education, treatment counsel, training on procedures and use of devices, recommendation on procedural accessories, assistance before and during the procedure and postoperative follow-up. During the Reporting Period, we continued to enhance the screening and referral of lower-tier city patients, and promoted the popularization and penetration of innovative transcatheter treatment solutions in the field of structural heart disease through medical education and marketing activities, which effectively broke the geographical restrictions and tapped into the vast blank market of primary medical care, and helped more patients to complete their diagnosis and treatment conveniently.

We carry out logistics, dispatch, warehousing and other works with the help of platform providers, and sell our products to hospitals through distributors and ultimately use them to treat our patients. We select distributors with extensive experience and resources in selling medical devices across China for cooperation, who are provided with professional training and assessed strictly to build all-round capabilities in market development, solution promotion, device sales and perioperative support, making them a strong supplement of our Total Solutions Team.

In order to strengthen the marketing of our products and our brand building, we actively participated in medical conferences and industry exhibitions in the global cardiac and cardiovascular field, continuing to enhance the Group's influence within the international academic circle of structural heart diseases. During the Reporting Period, we participated in well-known international academic conferences such as South Congress of Cardiology (SCC 2025), China Valve Hangzhou 2025, China Structural Heart Disease Congress (CSHC 2025), the Oriental Congress of Cardiology (OCC 2025), 2025 West China Atrial Fibrillation Week, Jiangcheng International Congress of Cardiology (JICC 2025), Wuhan International Conference of Cardiovascular Diseases (WICCD 2025), 2025 Greater Bay Area HeartValve Summit, Warsaw Course on Cardiovascular Interventions (WCCI 2025), EuroPCR 2025, Coronary and Structural Course (CSC 2025) and CSI Frankfurt 2025, shared the latest clinical information of our TAVI products and LAAC system and LAAA system, as well as related device features and procedure skills via introduction of international senior experts in the field of interventional therapy for valvular heart disease, held discussions on typical cases and conducted live case broadcasting, which further increased the influence of the CardioFlow brand in the international academic community.

Employees and Remuneration

As of June 30, 2025, our Group had a total of 417 full-time employees (as of June 30, 2024: 483 full-time employees), of which 11.75% were R&D staff and 41.01% were marketing and sales staff. We enter into employment contracts with employees in accordance with applicable laws and regulations, and provide them with competitive remuneration package, including wage, allowance, bonus, benefits and long-term incentives.

The Company has adopted the Share Scheme and the Share Award Scheme and Share Option Scheme (terminated on June 27, 2023) to provide incentives for the eligible participants.

Future Development

We intend to capitalize our strengths to pursue our business strategy in the following aspects:

Continue to strengthen our presence in China TAVI market

The China TAVI market is significantly under-penetrated. We intend to further increase the sales of our TAVI products in China through the following:

— **Deepen multi-level hospital coverage and procedure penetration**. With the positive clinical trial results of VitaFlow® and VitaFlow Liberty® and positive feedback from physicians and patients in real-world applications of VitaFlow Liberty® Flex, we will accelerate the penetration of qualified medical centers in China, use layered management onto the hospitals covered according to the volume of TAVI procedures and the number of Independent Physicians, achieve/consolidate advantages by formulating differentiated sales strategies and training programs, and continue to enhance the penetration of TAVI procedures and the market share of our TAVI products.

— **Enhance patient discovery and referral**. We believe that with the deepening of the clinical application of TAVI products, the improvement of physicians' familiarity with devices and their procedure skills, and the expansion of the accessibility of TAVI treatment, there are still mass unmet diagnosis and treatment needs of patients in China (especially in low-tier cities). We will continue to carry out routine patient screening, diagnosis and referral, and carry out the whole-process health management of patients from the very beginning, so as to help more TAVI patients to receive timely and reliable treatment.

— **Build academic brand to achieve professional education and promotion**. We fully explore the highlights of differentiated products, develop targeted training programs by discipline, and increase our influence among young-and-middle-aged physicians through academic competition. We have built the KOLs and physician network in the professional field of structural heart diseases and maintained frequent communications with several leading medical associations in these fields to fully build a bright academic brand and achieve professional physician education and product promotion.

— **Conduct long-term postoperative follow-ups and efficacy evaluation**. We continue to conduct follow-up evaluations after TAVI procedures to further monitor the long-term safety and efficacy of VitaFlow® and VitaFlow Liberty®. We believe that we are well-positioned to further boost our product and brand recognition through these valuable long-term clinical data and provide inspiration for the R&D of the next generation of our products.

Strengthen promotion of LAAC products to improve its global market share

Based on the excellent clinical results of our LAAC products and our years of experience and resources in the field of structural heart disease, we will strengthen the promotion of LAAC products and strive to rapidly increase its market share in China. By collaborating with electrophysiology manufacturers to promote the "catheter ablation + LAAC" one-stop procedure, we are accelerating the commercialization of LAAC. Meanwhile, we will accelerate the global commercialization process of AnchorMan® LAAC System and LAAA System, so as to achieve rapid growth in both the number of overseas implant volume and revenue of the product.

Continue to advance our international strategy

We will continue to collaborate with global enablers, including medical device companies, research institutes, hospitals and distributors, to advance our international strategy. We have selected European and other emerging markets, especially countries that recognize CE Mark or the NMPA approval, as key overseas markets to promote the registration and commercialization of VitaFlow Liberty®, AnchorMan® LAAC System and LAAA System. Leveraging the reliable performance of our products, excellent clinical data, and positive feedback from physicians worldwide, we will continue to utilize the global reputation of the MicroPort® brand and the existing sales network of the MicroPort® Group. Supplemented by the professional guidance and business management of our global Total Solutions Team, as well as the support and promotion of domestic and overseas academic collaboration, we will realize the synergy and linkage of global resources, continuously expand our business footprint, and accelerate the development of global business. As part of our international strategy, we will increase investment in overseas clinical resources: further strengthen the building of clinical support teams and improve their quality; continue to invest in medical education and increase the number of overseas teaching and exchange training centers; and continuously empower overseas sales networks to ensure that our solutions can effectively serve patients. We will also continue to build a more professional international scientific advisory board and use its rich experience and expertise to serve overseas customers. We will participate more actively in well-known international professional conferences on cardiovascular diseases, and continue to promote our solutions by organizing presentations, publishing case studies and demonstrating live surgeries, so as to gradually enhance our brand awareness globally.

Orderly advance the R&D of new products

Capitalizing our market position and extensive know-how in structural heart diseases, and working closely with our international scientific advisory board and KOLs to understand the clinical demands, market trends and technology breakthroughs, we continue our focus on the development of other pipeline products to expand our product portfolio, including TAVI, TMV, TTV, LAAC, ventricular septum reconstruction product and next-generation procedural accessories designated to strengthen our leading market position in medical devices for structural heart diseases.

Seek external cooperation to expand product portfolio

We will search for products and technologies with great clinical potential based on our deep and unique understanding and investigation of structural heart diseases, explore opportunities for cooperation and conduct prudent evaluation, in order to expand product portfolios through acquisitions, cooperations or licensing.

Focus on costs reduction and expenditures control to accelerate the profitability process

With the robustness of the financial statements as our priority, we will further minimize our losses by focusing on our business, increasing revenue, cutting costs and reducing expenses, and strive to achieve profitability as soon as possible while maintaining a steady growth in revenue.

Significant Investments, Material Acquisitions and Disposals during the Reporting Period

On May 30, 2025, MicroPort Sinica and Shanghai Zuoqing (collectively as the sellers), MP CardioFlow (as the purchaser) and MP CardioAdvent entered into the Equity Transfer Agreement, pursuant to which MP CardioFlow conditionally agreed to acquire, and MicroPort Sinica and Shanghai Zuoqing conditionally agreed to sell, approximately 35.27% and 13.73% equity interest in MP CardioAdvent. Such discloseable and connected transaction was approved by the Shareholders on June 27, 2025. Please refer to the announcements and circular of the Company dated May 30, 2025, June 5, 2025 and June 27, 2025, respectively, for further details.

Save as disclosed above, we did not make any significant investments or material acquisitions or disposals of subsidiaries, associates and joint ventures during the Reporting Period.

Events after the Reporting Period

In July 2025, the acquisition of the remaining 49% equity interest in MP CardioAdvent was completed and MP CardioAdvent became a wholly-owned subsidiary of the Group upon the completion.

On July 16, 2025, the Board received a non-binding proposal from MicroPort®, the controlling shareholder of the Company, relating to the proposed strategic restructuring of the cardiac rhythm management business of the MicroPort® Group, pursuant to which, subject to further negotiations with interested parties, the execution of definitive agreements and obtaining the necessary consents and approvals, such cardiac rhythm management business will be consolidated with the business of the Group (the "**Proposal**"). As of the Latest Practicable Date, the Board is still in the process of considering and assessing the Proposal. The Group has been actively exploring suitable opportunities to facilitate the diversification of its product offerings and support its overseas expansion strategy. The Board, with the assistance of independent advisers, will carefully evaluate the merits and reasonableness of the Proposal upon the availability of further details. Should the Proposal be materialized, it may constitute a notifiable transaction and/or a connected transaction of the Company pursuant to Chapter(s) 14 and/or 14A of the Listing Rules, respectively. The Company will make further announcement(s) as and when appropriate and will ensure compliance with all applicable requirements under the Listing Rules. The Proposal is non-binding, and there is no certainty that the Proposal will proceed or be completed. Please refer to the announcement of the Company dated July 16, 2025 for further details.

Save as disclosed above, there are no important events occurred after the Reporting Period and up to the Latest Practicable Date.

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 interim report.

Revenue

During the Reporting Period, our revenue was mainly generated from our commercialized products, VitaFlow®, VitaFlow Liberty®, VitaFlow Liberty® Flex, AnchorMan® LAAA System and AnchorMan® LAAC System.

Our Group's revenue increased by 2.7% from RMB223.1 million for the six months ended June 30, 2024 to RMB229.1 million for the six months ended June 30, 2025, primarily attributable to (i) our overseas revenue increased significantly contributed by the advancement of the VitaFlow Liberty® transcatheter aortic valve and retrievable delivery system in terms of global commercialization during the Reporting Period; and (ii) the steady advancement of commercialization of the AnchorMan® LAAC System and the AnchorMan® LAAA System both in the PRC and overseas.

Cost of Sales

During the Reporting Period, our cost of sales was mainly related to the manufacturing of VitaFlow®, VitaFlow Liberty®, VitaFlow Liberty® Flex, AnchorMan® LAAA System and AnchorMan® LAAC System. Our cost of sales increased by 5.0% from RMB64.9 million for the six months ended June 30, 2024 to RMB68.2 million for the six months ended June 30, 2025, primarily attributable to the increase of raw materials costs, staff costs and manufacturing expenses as a result of the enlarged sales volumes.

Gross Profit and Gross Profit Margin

Our gross profit increased by 1.7% from RMB158.2 million for the six months ended June 30, 2024 to RMB160.9 million for the six months ended June 30, 2025, and the gross profit margin remained stable for the six months ended June 30, 2025 compared to six months ended June 30, 2024.

Other Net Income

For the six months ended June 30, 2025, we recorded RMB38.4 million of other net income, representing a decrease as compared to RMB41.9 million for the six months ended June 30, 2024, which primarily attributable to the decrease in interest income arising from time deposits during the Reporting Period.

R&D Costs

Our R&D costs decreased by 38.1% from RMB83.1 million for the six months ended June 30, 2024 to RMB51.4 million for the six months ended June 30, 2025, primarily attributable to the adjustments in the priority and resource investment of projects based on the prevailing market outlook and the efficiency analysis on input-output in a prudent manner. The following table provided information regarding the breakdown of the R&D costs of our Company for the periods indicated:

	For the six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Staff costs	**16,596**	27,243
Depreciation and amortization	**21,376**	22,208
Cost of materials and consumables used	**5,552**	11,305
Third-party contracting costs	**4,069**	13,564
Share-based compensation expenses	**1,018**	1,585
Others	**2,796**	7,185
Total	**51,407**	83,090

Selling and Distribution Costs

Our selling and distribution costs decreased by 9.0% from RMB87.2 million for the six months ended June 30, 2024 to RMB79.3 million for the six months ended June 30, 2025, primarily attributable to the enhancement of synergies and interconnections of sales channels while expanding our sales, and the increase in the enhancement of operational efficiency.

Administrative Expenses

Our administrative expenses increased by 22.5% from RMB31.8 million for the six months ended June 30, 2024 to RMB38.9 million for the six months ended June 30, 2025, primarily attributable to the depreciation expenses of the properties held by Shanghai Xinyong during the Reporting Period.

Fair Value Changes in Financial Instruments

The gain on fair value changes in financial instruments was RMB4.6 million for the six months ended June 30, 2025, compared to the gain of RMB2.4 million on fair value changes for the six months ended June 30, 2024, which mainly arose from the fair value changes of the financial instruments issued by 4C Medical.

Other Operating Costs

Our other operating costs increased by 4.9% from RMB29.0 million for the six months ended June 30, 2024 to RMB30.4 million for the six months ended June 30, 2025, primarily attributable to the increase of legal and professional fees during the Reporting Period.

Finance Costs

Our finance costs increased from RMB2.0 million for the six months ended June 30, 2024 to RMB3.1 million for the six months ended June 30, 2025, primarily attributable to interest expense from interest-bearing borrowings during the Reporting Period.

Gain on deemed disposal of interests in an associate

For the six months ended June 30, 2025, our gain on deemed disposal of interests in an associate was RMB27.1 million (for the six months ended June 30, 2024: nil), which was primarily from the decrease in the Group's effective equity interest in 4C Medical, following the completion of series D financing of 4C Medical during the Reporting Period.

Share of Losses of Associates

Our share of losses of associates increased from RMB23.6 million for the six months ended June 30, 2024 to RMB26.8 million for the six months ended June 30, 2025, which was primarily attributable to the losses incurred by 4C Medical under the equity method during the Reporting Period.

Inventories

Our inventories decreased by 19.7% from RMB135.4 million as of December 31, 2024 to RMB108.8 million as of June 30, 2025, primarily attributable to the improvement in operational efficiency.

Trade and Other Receivables

Our trade and other receivables primarily consist of (i) trade receivables and bills receivables; (ii) interest receivables; (iii) VAT recoverable, representing VAT to be recovered or deducted from future value-added tax payables arising from the Group's revenue; and (iv) deposits and prepayments to suppliers and service providers.

Our trade and other receivables increased by 52.7% from RMB180.0 million as of December 31, 2024 to RMB274.7 million as of June 30, 2025, primarily attributable to an increase in trade receivables based on the different credit terms for domestic and overseas sales.

Interests in Associates

Our interest in associates increased by 52.0% from RMB165.8 million as of December 31, 2024 to RMB252.0 million as of June 30, 2025, primarily attributable to (i) the preferred shares of 4C Medical newly converted from convertible instruments, (ii) the gain on deemed disposal of the equity interest of 4C Medical, and partially offset by (iii) the losses recognized under equity method during the Reporting Period.

Trade and Other Payables

Our trade and other payables primarily consist of (i) trade payables due to third party suppliers and related parties; (ii) accrued payroll; and (iii) other payables and accrued charges.

Our trade and other payables decreased by 59.7% from RMB358.6 million as of December 31, 2024 to RMB144.6 million as of June 30, 2025, primarily attributable to the payment of equity payables in connection with the acquisition of Shanghai Xinyong.

Capital Expenditure

Our capital expenditure amounted to RMB230.2 million during the Reporting Period, compared to RMB5.4 million as of June 30, 2024, which was used for acquiring (i) properties; and (ii) equipment, machinery and software.

Foreign Exchange Exposure

During the Reporting Period, our Group mainly operated in China and a majority of its transactions were settled in RMB, the functional currency of our Company's primary subsidiaries. As of June 30, 2025, a portion of our Group's bank balances was denominated in US dollars. We currently do not have a foreign currency hedging policy. However, our management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise. Except for certain bank balances, trade and other receivables, trade and other payables, and other denominated in foreign currencies, our Group did not have significant foreign currency exposure from its operations as of June 30, 2025.

Contingent Liabilities

As of June 30, 2025, we did not have any contingent liabilities.

Capital Management

Our Group's objectives in the aspect of managing capital are to safeguard our Group's ability to continue as a going concern in order to provide returns for Shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. Our Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher Shareholders returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and make adjustments to the capital structure in light of changes in economic conditions.

Liquidity and Financial Resources

Our cash and cash equivalents, time deposits and pledged deposits decreased from RMB1,359.1 million as of December 31, 2024 to RMB1,320.3 million as of June 30, 2025, primarily attributable to continuous expansion of the business scale of the Group. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserve of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term. Our Company believes that we have sufficient funds to satisfy our working capital and capital expenditure requirements for 2025.

Borrowings and Gearing Ratio

Our Group's borrowings as of June 30, 2025 were RMB255.0 million, compared to RMB41.5 million as of December 31, 2024. As of June 30, 2025, the gearing ratio of our Group (calculated as total interest-bearing borrowings and lease liabilities divided by total equity as of the same date) increased to 12.6%, compared to 3.5% as of December 31, 2024, which was primarily attributable to the increase in interest-bearing borrowings during the Reporting Period.

Net Current Assets

Our Group's net current assets as of June 30, 2025 were RMB1,458.2 million, as compared to net current assets of RMB1,240.6 million as of December 31, 2024. Such increase was mainly attributable to the decrease of trade and other payables.

Charge on Assets

As of June 30, 2025, for the purpose of securing bank loans with a carrying value of RMB226.6 million, the Group had mortgaged the building and land use right held for own use, and pledged the equity interest of a subsidiary held by the Group.

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

As of June 30, 2025, the interests and short positions of the Directors and chief executives of our Company and their associates in any of the Shares, underlying Shares and debentures of our Company or its associated corporation (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by our Company pursuant to Section 352 of the SFO, or as otherwise notified to our Company and the Stock Exchange pursuant to the Model Code were as follows:

Long Positions in the underlying Shares of our Company

Name of Director/ Chief Executive	Nature of interest	Number of underlying Shares in respect of the options granted under the Share Options Scheme and Share Scheme	Approximately percentage of shareholding interest
Mr. Chen Guoming	Beneficial owner	8,905,892	0.37%
Mr. Zhang Ruinian	Beneficial owner	2,090,000	0.09%
Mr. Zhao Liang	Beneficial owner	11,368,310	0.47%
Ms. Yan Luying	Beneficial owner	9,064,017	0.38%
Mr. Jonathan H. Chou	Beneficial owner	449,683	0.02%
Ms. Sun Zhixiang	Beneficial owner	449,683	0.02%

Notes:

(1) All the above Shares are held in long position.

(2) The calculation is based on the total number of 2,412,592,839 Shares in issue as at June 30, 2025.

Save as disclosed above, as of June 30, 2025, none of the Directors or chief executives of our Company or their associates had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of our Company or any of its associated corporations.

Substantial shareholders' interests and short positions in Shares and underlying Shares

As of June 30, 2025, so far as the Directors are aware, the following persons (other than the Directors or chief executives of our Company or their associates) had interests or short positions in the Shares or underlying Shares of our Company as recorded in the register required to be kept by our Company pursuant to Section 336 of the SFO:

Name of Substantial Shareholders	Nature of interest	Number of Shares	Approximately percentage of shareholding interest
Shanghai MicroPort[1]	Beneficial Interest	1,112,855,680	46.13%
CICC Kangrui[2]	Beneficial Interest	181,592,220	7.53%

Notes:

(1) Shanghai MicroPort was wholly owned by MicroPort®. Therefore, MicroPort® was deemed to be interested in the Shares that Shanghai MicroPort was interested in under the SFO.

(2) CICC Kangzhi (Ningbo) Equity Investment Management Co., Ltd. (中金康智(寧波)股權投資管理有限公司), "**CICC Kangzhi**") was the general partner of CICC Kangrui. As confirmed by CICC Kangrui, CICC Kangzhi was controlled by CICC Capital Management Co., Ltd. (中金資本運營有限公司), which is a wholly-owned subsidiary of China International Capital Corporation Limited (中國國際金融股份有限公司). Therefore, each of CICC Kangzhi, CICC Capital Management Co., Ltd. (中金資本運營有限公司) and China International Capital Corporation Limited (中國國際金融股份有限公司) was deemed to be interested in the Shares that CICC Kangrui was interested in under the SFO.

(3) All the above Shares are held in long position.

(4) The calculation is based on the total number of 2,412,592,839 Shares in issue as at June 30, 2025.

Save as disclosed above, as of June 30, 2025, no person, other than the Directors or chief executives of our Company whose interests are set out in the section headed "Directors' and Chief Executives' Interests and Short Positions in Shares and Underlying Shares and Debentures of our Company and any of its Associated Corporations" above, had any interests or short positions in the Shares or underlying Shares as recorded in the register required to be kept under section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF OUR COMPANY

Save for the 1,415,000 Shares of our Company purchased through the trustee of the Share Award Scheme at cash consideration of HK$971,920 on the Stock Exchange for the Share Award Scheme, neither our Company nor any of its subsidiaries purchased, sold or redeemed any listed securities (including sale of Treasury Shares) of our Company during the period for the six months ended June 30, 2025. As at June 30, 2025, the Company did not hold any Treasury Shares.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code as the basis of its code of conduct regarding Directors' securities transactions.

Specific enquiry has been made of all the Directors and all Directors confirmed that they have complied with the Model Code for transactions in the Company's securities during the Reporting Period.

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. The Company was not aware of any incident of non-compliance with the Model Code by the employees during the Reporting Period.

SHARE INCENTIVE SCHEMES

Share Scheme

The Share Scheme was adopted by ordinary resolution passed by Shareholders on June 27, 2023 (the "**Adoption Date of the Share Scheme**") in compliance with the amendments of Chapter 17 of the Listing Rules that came into on January 1, 2023 to replace the Share Option Scheme. The terms of the Share Scheme are governed by Chapter 17 of the Listing Rules. A summary of the principal terms of the Share Scheme is set out below:

(a) Purpose

The purpose of the Share Scheme is to provide incentive to the eligible participants in order to promote the development and success of the business of our Group. The Share Scheme will give the eligible participants an opportunity to have a personal stake in our Company and will help motivate the eligible participants in optimizing their performance and efficiency and attract and retain the eligible participants whose contributions are important to the long-term growth of our Group.

(b) The Eligible Participants

The eligible participants are the employee participants, the related entity participants and the service provider participants.

In determining the basis of eligibility for employee participants, the factors in assessing whether any person is eligible to participate in the Share Scheme include:

(i) the performance of the employee participant;

(ii) the skill, knowledge, experience, expertise and other personal qualities of the employee participant;

(iii) the time commitment, responsibilities or employment conditions of the employee participant according to the prevailing market practice and industry standard;

(iv) the length of employment with our Group; and

(v) the contribution or potential contribution of the employee participant to the development and growth of our Group.

In determining the basis of eligibility for related entity participants, the Board would take into account, among others:

(i) the experience of the related entity participant on the Group's businesses;

(ii) his/her expertise and skill, the actual degree of involvement in and/or cooperation with the Group and length of collaborative relationship the related entity participant has established with the Group;

(iii) the positive impacts brought by, or expected from, the related entity participant on the Group's business development in terms of an increase in turnover or profits and/or an addition of expertise to the Group;

(iv) whether the related entity participant has assisted the Group in tapping into new markets and/or increased its market share;

(v) the amount of support, assistance, guidance, advice, efforts and contributions the related entity participant has exerted and given towards the success of the Group in research, product development or commercialization, and/or the amount of other potential support, assistance, guidance, advice, efforts and contributions the related entity participant is likely to be able to give or make towards the success of the Group in the future; and

(vi) the materiality and nature of the business relation of the holding companies, fellow subsidiaries or associated companies with the Group and the related entity participant's contribution in such holding companies, fellow subsidiaries or associated companies which may benefit the core business of the Group through a collaborative relationship.

A service provider participant refers to a person who provides services to any member of the Group on a continuing and recurring basis in its ordinary and usual course of business which are in the interests of the long-term growth of the Group, and fall into (1) consultants and advisers or (2) suppliers, contractors, distributors and agents, provided that placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions, and auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity shall be excluded. The Board shall use its absolute discretion to decide eligible service provider participants.

(c) Exercise Price and Issue Price and Exercise of Awards

(i) The exercise price shall, subject to any adjustment made pursuant to the terms of the Share Scheme, be determined by the Board at its absolute discretion, provided that it shall be not less than the highest of:

(a) the closing price of the shares as shown in the daily quotations sheet of the Stock Exchange on the offer date, which must be a Business Day;

(b) the average of the closing prices of the shares as shown in the daily quotations sheets of the Stock Exchange for the five (5) consecutive days on which the shares are traded on the Stock Exchange immediately preceding the offer date; and

(c) the nominal value of the share on the offer date.

(ii) The issue price shall be such price determined by the Board in its absolute discretion and notified to the grantee in the offer letter. For the avoidance of doubt, the Board may determine the issue price to be nil.

(iii) Where an award is to be granted under the Share Scheme, the date of the meeting of the Board (or its authorized committee for the administration of the Share Scheme) or the remuneration committee thereof (as the case may be) at which the grant was proposed shall be taken to be the offer date for the relevant award, and the provisions as set above shall apply mutatis mutandis.

(iv) Subject to the terms of the Share Scheme, an award shall be exercisable in whole or in part by the grantee (or, in the case of death of the grantee, by the grantee's personal representative) giving notice in writing to the Company stating that the award is thereby exercised and the number of award shares in respect of which it is so exercised.

(a) Each of such notice must be accompanied by a remittance for the full amount of the exercise price or the issue price (as applicable) for the award shares in respect of which the notice is given.

(b) Within twenty-one (21) days (or such longer period if the Company in its sole discretion considers it appropriate due to applicable legal or regulatory restrictions) after receipt of the notice and the remittance, the Company shall, at its discretion, arrange for the exercised award shares to be satisfied in the following methods:

(1) allot and issue the relevant number of Shares to the grantee (or the grantee's estate in the event of an exercise by the grantee's personal representative) credited as fully paid and instruct the share registrar to issue to the grantee (or the grantee's estate in the event of an exercise by the grantee's personal representative) a share certificate for the shares so allotted and issued;

(2) arrange for the exercised award shares to be transferred to the grantee (or the grantee's estate in the event of an exercise by the grantee's personal representative) credited as fully paid and issue to the grantee (or the grantee's estate in the event of an exercise by the grantee's personal representative) a share certificate in respect of the shares so transferred;

(3) pay to the grantee (or the grantee's estate in the event of an exercise by the grantee's personal representative) by remittance to the bank account designated and provided by the grantee (or the grantee's personal representative), the actual selling price from on-market sale of the exercised award shares through the facilities of the Stock Exchange at prevailing market prices; and

(4) arrange for exercised award shares to be issued or designated as vested shares held for the economic benefit of the grantee (or the grantee's estate in the event of an exercise by the grantee's personal representative), following which, the grantee (or the grantee's estate in the event of an exercise by the grantee's personal representative) shall be entitled to future dividends paid or payable on the exercised award shares and the grantee (or the grantee's personal representative) will have a one-time option to request the Company to cause payment to the grantee (or the grantee's estate in the event of an exercise by the grantee's personal representative) by remittance to the bank account designated and provided by the grantee, the difference in the prevailing market prices of the exercised award shares between the vesting date and the date that the grantee notifies the Company of exercising the one-time option.

(d) Vesting Period

Save for the circumstances prescribed below, an award must be held by the grantee for a period that is not shorter than the minimum period before the award can be exercised.

The Board may at its absolute discretion grant awards to employee participants only with a vesting period shorter than the minimum period in the following circumstances:

(i) grants of "make-whole" awards to new joiners to replace the share options or award shares they forfeited when leaving the previous employers;

(ii) grants to an employee participant whose employment is terminated due to death or occurrence of any out of control event;

(iii) grants that are made in batches during a year for administrative and compliance reasons, which include awards that should have been granted earlier if not for such administrative or compliance reasons but had to wait for subsequent batch;

(iv) grants of awards with a mixed or accelerated vesting schedule such as where the awards may vest evenly over a period of twelve (12) months; or

(v) grants with performance-based vesting conditions in lieu of time-based vesting criteria.

(e) Scheme Limits and Additional Approvals

The Scheme Mandate Limit

(i) The total number of Shares which may be issued in respect of all awards which may be granted at any time under the Share Scheme together with options and awards which may be granted under any other schemes of our Company shall not exceed such number of Shares as equals 10% of the Shares in issue as at the Adoption Date of the Share Scheme (the "**Scheme Mandate Limit**") (i.e. 241,106,331). Awards lapsed in accordance with the terms of the Share Scheme (and other schemes of the Company) will not be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

As of the Latest Practicable Date, 205,860,237 Shares are available for issue underlying options under the Share Scheme, representing approximately 8.53% of the total number of Shares in issue as of the same date.

The Service Provider Participant Sublimit

(ii) Subject to paragraph (i) above, the total number of awards which may be issued in respect of all awards which may be granted at any time under the Share Scheme together with options and awards which may be granted under any other share schemes for the time being of our Company to service provider participants shall not exceed such number of Shares as equals to 1% of the Shares in issue as at the Adoption Date of the Share Scheme (the "**Service Provider Participant Sublimit**") within the Scheme Mandate Limit. Awards lapsed in accordance with the terms of the Share Scheme (and other schemes of the Company) will not be regarded as utilized for the purpose of calculating the Service Provider Participant Sublimit. The number of options and awards available for grant under the Service Provider Participant Sublimit at both the beginning and the end of the Reporting Period was 24,110,633 as no options or awards were granted or to be granted to any service providers during the Reporting Period.

Refreshment

(iii) (a) our Company may seek approval of the Shareholders in a general meeting of our Company to refresh the Scheme Mandate Limit and/or the Service Provider Participant Sublimit under the Share Scheme on or after the third anniversary of the date of the Shareholders' approval for the last refreshment or the Adoption Date of the Share Scheme. The total number of Shares which may be issued upon exercise of all (1) the awards under the Share Scheme and (2) the options and awards to be granted under any other schemes of our Company as "refreshed" must not exceed 10% of the Shares in issue as at the date of approval of the refreshment. For the purpose of seeking approval of the Shareholders under this paragraph, our Company must send a circular to the Shareholders containing the information required under the Listing Rules; and

(b) any refreshment within any three-year period shall be subject to independent Shareholders' approval.

Grant in excess of the Scheme Mandate Limit

(iv) Our Company may seek separate approval of the Shareholders in a general meeting of our Company for granting awards exceeding the Scheme Mandate Limit provided that the awards in excess of the Scheme Mandate Limit are granted only to eligible participants specifically identified by our Company before such approval is sought. For the purpose of seeking approval of the Shareholders under this paragraph, our Company must send a circular to the Shareholders containing a generic description of the specified eligible participants who may be granted such awards, the number and terms of the awards to be granted, the purpose of granting awards to the specified eligible participants with an explanation as to how the terms of the awards serve such purpose, and such other information as required under the Listing Rules. The number and terms (including the exercise price or the issue price) of the awards to be granted to such eligible participant must be fixed before Shareholders' approval. For the grant of share options, the date of Board meeting for proposing such grant should be taken as the date of grant for the purpose of calculating the exercise price.

(f) Grant of Awards to a Director, Chief Executive or Substantial Shareholder of the Company or Any of Their Respective Associate

(i) Any grant of an award to a Director, a chief executive of the Company or substantial shareholder (as defined under the Listing Rules), or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who or whose associate is the proposed grantee of the award).

(ii) (a) where any grant of an award to an independent non-executive Director or a substantial shareholder (as defined in the Listing Rules), or any of their respective associates, would result in the shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed in accordance with the terms of the relevant schemes) to such person in the twelve (12)-month period up to and including the date of such grant representing in aggregate exceeding 0.1% of the shares in issue, or

(b) where any grant of share awards (i.e., excluding grant of share options) to any Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates, would result in the shares issued and to be issued in respect of all awards granted (excluding any awards lapsed in accordance with the terms of the relevant schemes) to such person in the twelve (12) month period up to and including the date of such grant representing in aggregate over 0.1% of the shares in issue at the date of such grant, such grant of award must be approved by the shareholders in a general meeting of the Company.

(iii) The Company must send a circular to the Shareholders. The circular must contain such information required by the Listing Rules.

(iv) The grantee, his/her associates and all the core connected persons must abstain from voting in favour of the proposed grant at such general meeting. Parties that are required to abstain from voting in favour of the proposed grant at the general meeting of the Company pursuant to the Listing Rules may vote against the resolution at the general meeting of the Company, provided that their intention to do so has been stated in the relevant circular to the shareholders.

(v) Any vote taken at the general meeting of the Company to approve the grant of such award must be taken on a poll and comply with the requirements under the Listing Rules.

(vi) Any change in the terms of awards granted to an eligible participant who is a Director, chief executive or substantial shareholder (as defined in the Listing Rules) of the Company, or any of their respective associates must be approved by the shareholders in the manner as set out in the Listing Rules if the initial grant of the award requires such approval (except where the changes take effect automatically under the existing terms of the Share Scheme).

(g) Maximum Entitlement of Each Eligible Participant

Where any grant of an award to an eligible participant would result in the Shares issued and to be issued in respect of all options and awards granted to such eligible participant (excluding any options and awards lapsed in accordance with the terms of the relevant schemes) in the twelve (12)-month period up to and including the date of such grant representing in aggregate exceeding 1% of the Shares in issue, such grant must be separately approved by the Shareholders in a general meeting of the Company with such eligible participant and the person's close associates (or associates if the eligible participant is a connected person) abstaining from voting.

The Company must send a circular to the Shareholders and the circular must disclose the identity of the eligible participant, the number and terms of the awards to be granted (and awards previously granted to such eligible participant during the twelve (12)-month period), the purpose of granting the awards to the eligible participant, an explanation as to how the terms of the awards serve such purpose and such information as may be required by the Stock Exchange from time to time. The number and terms (including the exercise price or issue price) of the award to be granted to such eligible participant must be fixed before the general meeting of the Company. For the grant of share options, the date of the meeting of the Board for proposing such grant should be taken as the offer date for the purpose of calculating the exercise price.

(h) Performance Targets and Clawback Mechanism

Save as determined by the Board and provided in the offer letter of the grant of an award, the Share Scheme does not stipulate any performance target a grantee is required to achieve before the relevant award can be exercised nor any clawback mechanism for the Company to recover or withhold any awards granted to any eligible participants.

The Board believes that this will provide the Board with more flexibility in setting out the terms and conditions of the awards under particular circumstances of each grant and facilitate the Board to offer suitable incentives to attract and retain quality personnel that are valuable to the development of the Group.

(i) Time of Exercise of Options

Subject to the terms of the Share Scheme, an award may be exercised in whole or in part at any time during the period stipulated in the offer, provided that such period shall not go beyond the day immediately prior to the tenth anniversary of the offer date with respect of the relevant award.

The Board may at its discretion specify any condition in the offer letter at the grant of the relevant award which must be satisfied before an award may be exercised. Save as determined by the Board and provided in the offer of the grant of the relevant award, there is no performance target which must be achieved before an award can be exercised under the terms of the Share Scheme nor any clawback mechanism for the Company to recover or withhold any awards granted to any eligible participant**.**

(j) Remaining Life of the Share Scheme

The Share Scheme shall be valid and effective until the Business Day on which falls on the date immediately prior to the tenth anniversary of the Adoption Date of the Share Scheme (the "**Termination Date**"), after which period no further awards will be granted but the provisions of the Share Scheme shall remain in force to the extent necessary to give effect to the exercise of any awards granted on or prior to the Termination Date or otherwise as may be required in accordance with the provisions of the Share Scheme.

Subject to the early termination, the remaining life of the Share Scheme is approximately seven years and nine months as of the Latest Practicable Date.

(k) Outstanding Options Granted as of June 30, 2025

As of the beginning of the Reporting Period, 213,998,549 options or awards are available for grant under the Share Scheme. During the Reporting Period, the number of Shares underlying the options granted under the Share Scheme by the Company was 8,138,312. As of June 30, 2025, the aggregate number of Shares underlying the options and awards available for grant under the Share Scheme is 205,860,237. The status of the share options under the Share Scheme granted as of June 30, 2025 is as follows:

Name	Positions	Number of Shares underlying the outstanding options under the Share Scheme as of December 31, 2024	Granted options under the Share Scheme during the Reporting Period	Exercised options under the Share Scheme during the Reporting Period	Lapsed options under the Share Scheme during the Reporting Period	Cancelled options under the Share Scheme during the Reporting Period[3]	Exercise price	Number of Shares underlying the outstanding options under the Share Scheme as of June 30, 2025	Date of grant	Vesting period	Exercise period	Closing price of the Company immediately before the date of grant of share options under the Share Scheme	Weighted average share price of the Company immediately before the exercise date of share options under the Share Scheme	Fair value of share options granted under the Share Scheme during the Reporting Period at the date of grant[1] (RMB'000)
EMPLOYEE PARTICIPANTS														
Directors and chief executive of our Company														
Mr. Chen Guoming	Non-executive Director and Chairman of our Board	1,209,992	–	–	–	–	HK$2.054	1,209,992	July 11, 2023	July 11, 2023 – July 11, 2026	July 11, 2024 – July 10, 2033	HK$2.00	N/A	N/A
Mr. Zhang Ruinian	Executive Director and President	–	2,000,000	–	–	–	HK$1.106	2,000,000	March 28, 2025	March 28, 2025 – March 28, 2030	March 28, 2026 – March 27, 2035	HK$1.00	N/A	634
Mr. Zhao Liang	Executive Director and First Vice President	1,624,933	–	–	–	–	HK$2.054	1,624,933	July 11, 2023	July 11, 2023 – July 11, 2026	July 11, 2024 – July 10, 2033	HK$2.00	N/A	N/A
		1,876,016	–	–	–	–	HK$1.002	1,876,016	April 8, 2024	August 8, 2029	August 8, 2029 – August 7, 2034	HK$0.90	N/A	N/A
		–	606,700	–	–	–	HK$1.106	606,700	March 28, 2025	March 28, 2030	March 28, 2030 – March 27, 2035	HK$1.00	N/A	233
Ms. Yan Luying	Executive Director and Vice President	391,499	–	–	–	–	HK$2.054	391,499	July 11, 2023	July 11, 2023 – July 11, 2026	July 11, 2024 – July 10, 2033	HK$2.00	N/A	N/A
		872,428	–	–	–	–	HK$1.002	872,428	April 8, 2024	August 8, 2029	August 8, 2029 – August 7, 2034	HK$0.90	N/A	N/A
		–	1,213,402	–	–	–	HK$1.106	1,213,402	March 28, 2025	March 28, 2030	March 28, 2030 – March 27, 2035	HK$1.00	N/A	467
Mr. Jeffrey R Lindstrom (resigned with effect from March 27, 2025)	Executive Director and President	4,000,000	–	–	–	4,000,000	HK$1.91	–	August 30, 2023	August 30, 2023 – August 30, 2028	August 30, 2024 – August 29, 2033	HK$1.91	N/A	N/A
Subtotal		9,974,868	3,820,102	–	–	4,000,000		9,794,970						1,334

Name	Positions	Number of Shares underlying the outstanding options under the Share Scheme as of December 31, 2024	Granted options under the Share Scheme during the Reporting Period	Exercised options under the Share Scheme during the Reporting Period	Lapsed options under the Share Scheme during the Reporting Period	Cancelled options under the Share Scheme during the Reporting Period[3]	Exercise price	Number of Shares underlying the outstanding options under the Share Scheme as of June 30, 2025	Date of grant	Vesting period	Exercise period	Closing price of the Company immediately before the date of grant of share options under the Share Scheme	Weighted average share price of the Company immediately before the exercise date of share options under the Share Scheme	Fair value of share options granted under the Share Scheme during the Reporting Period at the date of grant[1] (RMB'000)
Other Employee Participants of our Company														
		3,779,232	–	–	–	27,187	HK$2.054	3,752,045	July 11, 2023	July 11, 2023 – July 11, 2026	July 11, 2024 – July 10, 2033	HK$2.00	N/A	N/A
		3,362,482	–	–	–	–	HK$1.002	3,362,482	April 8, 2024	August 8, 2029	August 8, 2029 – August 7, 2034	HK$0.90	N/A	N/A
		4,250,000	–	–	–	100,000	HK$1.002	4,150,000	April 8, 2024	April 8, 2024 – April 8, 2029	April 8, 2025 – April 7, 2034	HK$0.90	N/A	N/A
		2,565,225	–	–	–	–	HK$1.002	2,565,225	April 8, 2024	April 8, 2024 – April 8, 2028	April 8, 2026 – April 7, 2034	HK$0.90	N/A	N/A
		–	600,000	–	–	–	HK$1.106	600,000	March 28, 2025	March 28, 2025 – March 28, 2030	March 28, 2026 – March 27, 2035	HK$1.00	N/A	171
		–	3,718,210	–	–	–	HK$1.106	3,718,210	March 28, 2025	March 28, 2030	March 28, 2030 – March 27, 2035	HK$1.00	N/A	1,361
Subtotal		13,956,939	4,318,210	–	–	127,187		18,147,962						1,532
Total		23,931,807	8,138,312	–	–	4,127,187		27,942,932						2,866

Notes:

(1) The fair value was determined using the binomial lattice model. The measurement date is the date on which the share options were granted.

(2) The vesting of above options is not subject to any performance targets. The purpose of the Share Scheme is to provide incentive to eligible participants in order to promote the development and success of the business of the Group. The options granted under the Share Scheme will give the grantees an opportunity to have a personal stake in the Company and will help motivate such grantees in optimizing their performance and efficiency. The number of options to be granted are based on the work performance and potential of the grantees and no additional performance target is imposed before the options are vested to the grantees. In view of the above, the Remuneration Committee considered the grant of options aligned with the purpose of the Share Scheme.

(3) The purchase price of the cancelled options was nil.

Save as disclosed above, none of the grantees for options and awards granted and to be granted under the Share Scheme during the Reporting Period (i) are the Directors, chief executive or substantial Shareholders of the Company, or their respective associates; (ii) are awarded with options or awards granted and to be granted in excess of the 1% individual limit; and (iii) are related entity participants or service providers with options or awards granted and to be granted in any 12-month period exceeding 0.1% of the Shares in issue. No options or awards were granted or to be granted to any related entity participants, service providers or other employees during the Reporting Period.

SHARE OPTION SCHEME

The Share Option Scheme was adopted by ordinary resolution of the shareholders of MicroPort® ("**MicroPort Shareholders**") in the extraordinary general meeting of MicroPort® dated March 13, 2020 ("**Adoption Date of the Share Option Scheme**") and amended on March 17, 2022. The terms of the Share Option Scheme are governed by Chapter 17 of the Listing Rules. The Share Option Scheme was terminated by ordinary resolution passed by Shareholders on June 27, 2023 and replaced by the Share Scheme adopted on the same date. Options granted under the Share Option Scheme prior to its termination shall remain valid in accordance with its items.

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

(a) Purpose

The purpose of the Share Option Scheme is to provide incentive or reward to eligible persons for their contribution to, and continuing efforts to promote the interests of, our Group and for such other purposes as our Board may approve from time to time.

(b) Grant of Options and Time of Exercise of Options

Each offer of an option (the "**Offer**") shall be in writing made to an eligible person by letter in such form as our Board may from time to time determine at its discretion (the "**Offer Letter**"). The Offer Letter shall state, among others, the period during which the option may be exercised (the "**Option Period**"), which period is to be determined and notified by our Board but shall expire in any event not later than the last day of the 10-year period after the date of grant of the option. Our Board may specify in the Offer Letter any conditions which must be satisfied before the option may be exercised, including without limitation such performance targets (if any) and minimum periods for which an option must be held before it can be exercised and any other terms in relation to the exercise of the option, including without limitation such percentages of the options that can be exercised during a certain period of time, as our Board may determine from time to time. Our Board shall specify in the Offer Letter a date by which the grantee must accept the Offer, being a date no later than 28 days after the date on which the option is offered or the date on which the conditions for the offer are satisfied, whichever is earlier.

(c) Eligible Participants

Eligible persons include:

(i) any employee (whether full-time or part-time) of our Group;

(ii) any director (including executive, non-executive and independent non-executive directors) of our Group; and

(iii) any director (including executive, non-executive and independent non-executive directors) or employee (whether full-time or part-time) of MicroPort® who, in the sole and absolute direction of our Board, has contributed or will contribute to the development of our Group.

The basis of eligibility of any of the above classes of eligible persons to the grant of any options shall be determined by our Board from time to time on the basis of their contribution to the development and growth of our Group.

(d) Maximum Number of Shares Available for Issue under the Share Option Scheme

At the time of adoption of the Share Option Scheme or any new subsidiary share option scheme (the "**New Scheme**"), the aggregate number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme, the New Scheme and all schemes existing at such time (the "**Existing Scheme(s)**") of our Group must not in aggregate exceed 10% of the total number of Shares in issue as of the date of the Shareholders' approval or the date of the MicroPort Shareholders' approval, whichever is later, of the increase of the original scheme mandate limit (the "**Scheme Mandate Limit**"). For the purposes of calculating the Scheme Mandate Limit, the Shares which are the subject matter of any options that have already lapsed in accordance with the terms of the relevant Existing Scheme(s) shall not be counted. The Scheme Mandate Limit may be refreshed by both ordinary resolution of the MicroPort® Shareholders and special resolution of our Shareholders of our Company in their respective general meeting, provided that:

(i) the Scheme Mandate Limit so refreshed shall not exceed 10% of the total number of Shares in issue as of the date of the MicroPort Shareholders' approval or the date of the Shareholders' approval, whichever is later, of the refreshing of the Scheme Mandate Limit;

(ii) options previously granted under the Share Option Scheme and any other share option scheme(s) of our Company (including options outstanding, cancelled or lapsed in accordance with the relevant scheme rules or exercised options) shall not be counted for the purpose of calculating the limit as refreshed; and

(iii) a circular regarding the proposed refreshing of the Scheme Mandate Limit has been despatched to the MicroPort Shareholders and Shareholders (if applicable) in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Listing Rules in force from time to time.

Our Company may seek separate approvals from the MicroPort Shareholders and our Shareholders in their respective general meeting for granting options which will result in the Scheme Mandate Limit being exceeded, provided that:

(i) the grant is to eligible persons specifically identified by our Company before the approval is sought; and

(ii) a circular regarding the grant has been despatched to the MicroPort Shareholders and our Shareholders (if applicable) in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Listing Rules in force from time to time. In accordance with the current Listing Rules, the circular must contain the name of each specified participant who may be granted such options, the number and terms of the options to be granted to each participant, and the purpose of granting options to the specified participants with an explanation as to how the terms of the options serve such purpose, and other information required to comply with the relevant provisions of Chapter 17 of the Listing Rules in force from time to time.

As the Share Option Scheme was terminated and replaced by the Share Scheme on June 27, 2023, no more options will be granted under the Share Option Scheme. As of the Latest Practicable Date, 55,901,742 Shares underlying the outstanding options already granted under the Share Option Scheme are available for issue, representing approximately 2.32% of the total number of Shares in issue as of the same date.

(e) Maximum Entitlement of each Eligible Person

No option shall be granted to any eligible person if, at the relevant time of grant, the number of Shares issued and to be issued upon exercise of all options (granted and proposed to be granted, whether exercised, cancelled or outstanding) to the eligible person in the 12-month period up to and including the date of such grant would exceed 1% of the total number of Shares in issue at such time, unless: (a) such grant has been duly approved, in the manner prescribed by the relevant provisions of Chapter 17 of the Listing Rules in force from time to time, by ordinary resolution of the Shareholders in general meeting, at which the eligible person and his close associates (or his associates if the eligible person is a connected person) abstained from voting; (b) a circular regarding the grant has been despatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Listing Rules in force from time to time. In accordance with the current Listing Rules, the circular must disclose identity of the participant, the number and terms of the options to be granted (and those previously granted to such participant in the 12-month period), the purpose of granting options to the participant and an explanation as to how the terms of the options serve such purpose; and (c) the number and terms (including the subscription price) of such options are fixed before the general meeting of the Company at which the same are approved.

(f) Subscription Price and Consideration for the Option

The price at which each Share subject to an option may be subscribed for on the exercise of that option shall be a price solely determined by the Board and notified to an eligible person and shall be at least the highest of: (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the offer date of such option(s) (the "**Offer Date**"), which must be a business day; (b) the average of the closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the Offer Date; and (c) the nominal value of the Shares. No consideration is required upon acceptance of the grant of options.

(g) Remaining Life of the Share Option Scheme

The Share Option Scheme is valid and effective for a period commencing on the date of the Adoption Date of the Share Option Scheme and ending on June 27, 2023 (the "**Termination Date of the Share Option Scheme**"). No further options shall be granted under the Share Option Scheme upon the Termination Date of the Share Option Scheme but the provisions of the Share Option Scheme shall in all other respects remain in full force and effect to the extent necessary to give effect to the exercise any options granted prior thereto or otherwise as may be required in accordance with the provisions of the Share Option Scheme and options granted prior thereto but not yet exercised shall continue to be valid and exercisable in accordance with the Share Option Scheme.

(h) Outstanding Options Granted as of June 30, 2025

As of December 31, 2024, the number of options available for grant under the Share Option Scheme was nil as the Share Option Scheme was terminated on June 27, 2023 and no further options will be granted under the Share Option Scheme thereafter. As of June 30, 2025, the aggregate number of outstanding options granted under the Share Option Scheme is 56,782,911, representing approximately 2.35% of the total issued share capital of our Company as of June 30, 2025. The status of the share options granted up to June 30, 2025 is as follows:

Name	Positions	Number of Shares underlying the outstanding options under the Share Option Scheme as of December 31, 2024	Granted options under the Share Option Scheme during the Reporting Period	Exercised options under the Share Option Scheme during the Reporting Period	Lapsed options under the Share Option Scheme during the Reporting Period	Cancelled options under the Share Option Scheme during the Reporting Period[3]	Exercise price	Number of Shares underlying the outstanding options under the Share Option Scheme as of June 30, 2025	Date of grant	Vesting period	Exercise period	Closing price of the Company immediately before the date of grant of share options under the Share Option Scheme	Weighted average share price of the Company immediately before the exercise date of share options under the Share Option Scheme	Fair value of share options granted under the Share Option Scheme during the Reporting Period at the date of grant[1] (RMB'000)
EMPLOYEE PARTICIPANTS														
Directors and chief executives of our Company														
Mr. Chen Guoming	Non-executive Director and Chairman of our Board	5,000,000	–	–	–	–	US$0.16	5,000,000	March 31, 2020	March 31, 2020 – March 31, 2025	March 31, 2021 – March 30, 2030	N/A	N/A	N/A
		1,209,992	–	–	–	–	HK$3.754	1,209,992	January 19, 2022	January 19, 2022 – January 19, 2027	January 19, 2024 – January 18, 2032	HK$3.65	N/A	N/A
		332,654	–	–	–	–	HK$2.63	332,654	March 30, 2022	March 30, 2027	March 30, 2027 – March 29, 2032	HK$2.54	N/A	N/A
		410,300	–	–	–	–	HK$2.534	410,300	March 30, 2023	March 30, 2028	March 30, 2028 – March 29, 2033	HK$2.57	N/A	N/A
Mr. Zhao Liang	Executive Director and First Vice President	2,000,000	–	–	–	–	HK$6.406	2,000,000	October 4, 2021	October 4, 2021 – October 4, 2026	October 4, 2022 – October 3, 2031	HK$6.24	N/A	N/A
		1,624,933	–	–	–	–	HK$3.754	1,624,933	January 19, 2022	January 19, 2022 – January 19, 2027	January 19, 2024 – January 18, 2032	HK$3.65	N/A	N/A
		117,039	–	–	–	–	HK$2.63	117,039	March 30, 2022	March 30, 2027	March 30, 2027 – March 29, 2032	HK$2.54	N/A	N/A
		700,000	–	–	–	–	HK$2.802	700,000	June 22, 2022	June 22, 2022 – June 22, 2027	June 22, 2023 – June 21, 2032	HK$2.9	N/A	N/A
		750,000	–	–	–	–	HK$2.534	750,000	March 30, 2023	March 30, 2023 – March 30, 2028	March 30, 2024 – March 29, 2033	HK$2.57	N/A	N/A
		355,146	–	–	–	–	HK$2.534	355,146	March 30, 2023	March 30, 2028	March 30, 2028 – March 29, 2033	HK$2.57	N/A	N/A

Name	Positions	Number of Shares underlying the outstanding options under the Share Option Scheme as of December 31, 2024	Granted options under the Share Option Scheme during the Reporting Period	Exercised options under the Share Option Scheme during the Reporting Period	Lapsed options under the Share Option Scheme during the Reporting Period	Cancelled options under the Share Option Scheme during the Reporting Period[3]	Exercise price	Number of Shares underlying the outstanding options under the Share Option Scheme as of June 30, 2025	Date of grant	Vesting period	Exercise period	Closing price of the Company immediately before the date of grant of share options under the Share Option Scheme	Weighted average share price of the Company immediately before the exercise date of share options under the Share Option Scheme	Fair value of share options granted under the Share Option Scheme during the Reporting Period at the date of grant[1] (RMB'000)
Ms. Yan Luying	Executive Director and Vice President	4,000,000	–	–	–	–	US$0.16	4,000,000	March 31, 2020	March 31, 2020 – March 31, 2025	March 31, 2021 – March 30, 2030	N/A	N/A	N/A
		391,499	–	–	–	–	HK$3.754	391,499	January 19, 2022	January 19, 2022 – January 19, 2027	January 19, 2024 – January 18, 2032	HK$3.65	N/A	N/A
		318,924	–	–	–	–	HK$2.63	318,924	March 30, 2022	March 30, 2027	March 30, 2027 – March 29, 2032	HK$2.54	N/A	N/A
		257,213	–	–	–	–	HK$2.534	257,213	March 30, 2023	March 30, 2028	March 30, 2028 – March 29, 2033	HK$2.57	N/A	N/A
Mr. Jonathan H. Chou	Independent non-executive Director	449,683	–	–	–	–	HK$2.534	449,683	March 30, 2023	March 30, 2023 – March 30, 2027	March 30, 2025 – March 29, 2033	HK$2.57	N/A	N/A
Ms. Sun Zhixiang	Independent non-executive Director	449,683	–	–	–	–	HK$2.534	449,683	March 30, 2023	March 30, 2023 – March 30, 2027	March 30, 2025 – March 29, 2033	HK$2.57	N/A	N/A
Mr. Jeffrey R Lindstrom (resigned with effect from March 27, 2025)	Executive Director and President	2,000,000	–	–	–	2,000,000	HK$3.754	–	January 19, 2022	January 19, 2022 – January 19, 2027	January 19, 2023 – January 18, 2032	HK$3.65	N/A	N/A
Dr. Ding Jiandong (retired with effect from June 27, 2025)	Independent non-executive Director	449,683	–	–	–	206,105	HK$2.534	243,578	March 30, 2023	March 30, 2023 – March 30, 2027	March 30, 2025 – March 29, 2033	HK$2.57	N/A	N/A
Subtotal		20,816,749	–	–	–	2,206,105		18,610,644						–

Name	Positions	Number of Shares underlying the outstanding options under the Share Option Scheme as of December 31, 2024	Granted options under the Share Option Scheme during the Reporting Period	Exercised options under the Share Option Scheme during the Reporting Period	Lapsed options under the Share Option Scheme during the Reporting Period	Cancelled options under the Share Option Scheme during the Reporting Period[3]	Exercise price	Number of Shares underlying the outstanding options under the Share Option Scheme as of June 30, 2025	Date of grant	Vesting period	Exercise period	Closing price of the Company immediately before the date of grant of share options under the Share Option Scheme	Weighted average share price of the Company immediately before the exercise date of share options under the Share Option Scheme	Fair value of share options granted under the Share Option Scheme during the Reporting Period at the date of grant[1] (RMB'000)
Other Employee Participants in our Group														
		10,360,641	–	–	–	881,640	US$0.16	9,479,001	March 31, 2020	March 31, 2020 – March 31, 2025	March 31, 2021 – March 31, 2030	N/A	HK$1.35	N/A
		2,570,000	–	–	–	20,000	HK$13.72	2,550,000	March 31, 2021	March 31, 2021 – March 31, 2026	March 31, 2022 – March 30, 2031	HK$14.08	N/A	N/A
		600,000	–	–	–	–	HK$6.406	600,000	October 4, 2021	October 4, 2021 – October 4, 2026	October 4, 2021 – October 3, 2031	HK$6.24	N/A	N/A
		5,713,020	–	–	–	50,976	HK$3.754	5,662,044	January 19, 2022	January 19, 2022 – January 19, 2027	January 19, 2023 – January 18, 2032	HK$3.65	N/A	N/A
		1,190,000	–	–	–	–	HK$2.802	1,190,000	June 22, 2022	June 22, 2022 – June 22, 2027	June 22, 2023 – June 21, 2032	HK$2.9	N/A	N/A
		4,166,639	–	–	–	320,000	HK$2.534	3,846,639	March 30, 2023	March 30, 2023 – March 30, 2028	March 30, 2024 – March 29, 2033	HK$2.57	N/A	N/A
Subtotal		24,600,300	–	–	–	1,272,616		23,327,684						–
Related Entity Participants														
Dr. Chang Zhaohua	Director of MicroPort®	6,000,000	–	–	–	–	US$0.16	6,000,000	March 31, 2020	March 31, 2020 – March 31, 2025	March 31, 2021 – March 30, 2030	N/A	N/A	N/A
Other employees of MicroPort®		8,862,200	–	–	–	51,840	US$0.16	8,810,360	March 31, 2020	March 31, 2020 – March 31, 2025	March 31, 2021 – March 30, 2030	N/A	N/A	N/A
		300,000	–	–	–	140,000	HK$2.802	160,000	June 22, 2022	June 22, 2022 – June 22, 2027	June 22, 2023 – June 21, 2032	HK$2.9	N/A	N/A
Subtotal		15,162,200	–	–	–	191,840		14,970,360						–
Total		60,579,249	–	–	–	3,670,561		56,908,688						–

Notes:

(1) The fair value was determined using the binomial lattice model. The measurement date is the date on which the share options were granted.

(2) The vesting of above options is not subject to any performance targets.

(3) The purchase price of the cancelled options was nil.

Save as disclosed above, none of the grantees for options granted and to be granted under the Share Option Scheme during the Reporting Period (i) are the Directors, chief executive or substantial Shareholders of the Company, or their respective associates; (ii) are awarded with options granted and to be granted in excess of the 1% individual limit; and (iii) are related entity participants or service providers with options granted and to be granted in any 12-month period exceeding 0.1% of the Shares in issue. No options were granted or to be granted to any related entity participants, service providers or other employees during the Reporting Period.

SHARE AWARD SCHEME

The Share Award Scheme was adopted by the Company on March 30, 2021 and amended on August 29, 2023. Currently, as no new Shares will be issued under the Share Award Scheme, the Share Award Scheme will constitute a share scheme that is funded by existing Shares as referred to under Rule 17.01(1)(b) of the Listing Rules and shall be subject to the applicable requirements under Rule 17.12 of the Listing Rules. A summary of the principal terms of the Share Award Scheme is set out below:

(a) Purposes

The purpose of the Share Award Scheme is to recognize certain directors, employees, consultants and advisors of the Group in order to incentivize them to retain with the Group, and to motivate them to strive for the future development and expansion of the Group.

(b) Eligible Participants

The directors, employees, consultants and advisors of the Group.

(c) Total Number of Shares Available for Issue under the Share Award Scheme

The Board shall not make any further award of award Shares which will result in the nominal value of the Shares awarded by the Board under the Share Award Scheme exceeding 10% of the issued share capital of the Company from time to time (i.e. 241,259,283 Shares as of the Latest Practicable Date). The Company revised the scheme rules of the Share Award Scheme on August 29, 2023, after which the Share Award Scheme will constitute a share scheme that is funded only by existing Shares and no Shares are available for issue under the Share Award Scheme as of the Latest Practicable Date.

(d) Maximum Entitlement of Each Participant

The maximum number of Shares which may be awarded to a selected participant under the Share Award Scheme shall not exceed 1% of the issued share capital of the Company from time to time, save and except with the approval from the Shareholders.

(e) Remaining Life of the Share Award Scheme

Unless terminated earlier by the Board in accordance with the rules of the Share Award Scheme, the Share Award Scheme is valid and effective for a term of 10 years commencing on the adoption date (i.e. March 30, 2021).

The Share Award Scheme shall terminate on the earlier of (i) the 10th anniversary date of the adoption date; and (ii) such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of any selected participant. Upon termination, all award Shares and the related income shall become vested on the selected participant so referable on such date of termination. Net sale proceeds (after making appropriate deductions) of the returned Shares and such non-cash income together with the residual cash and such other funds remaining in the trust shall be remitted to the Company forthwith after the sale.

Subject to the early termination, the remaining life of the Share Award Scheme is approximately five years and six months as of the Latest Practicable Date.

(f) Vesting and Lapse

When the selected participant has satisfied all vesting conditions specified by the Board at the time of making the award and become entitled to the Shares forming the subject of the award, the trustee shall transfer the relevant award Shares to the selected participant(s) or his/her nominee(s).

An award lapses when, (i) the relevant selected participant ceases to be an employee of the Group, or (ii) the subsidiary of the Company by which a selected participant is employed ceases to be a subsidiary of the Company (or of a member of the Group), or (iii) an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company (otherwise than for the purposes of, and followed by, an amalgamation or reconstruction in such circumstances that substantially the whole of the undertaking, assets and liabilities of the Company pass to a successor company), the award shall automatically lapse forthwith and the award Shares shall not vest on the relevant vesting date but shall become Returned Shares for the purposes of the Share Award Scheme.

(g) Subscription Price and Consideration of the Award Shares

The price at which each award Share may be subscribed for shall be a price solely determined by the Remuneration Committee.

Prior to the year 2025, the Company had granted 5,671,054 share awards pursuant to the Share Award Scheme to then Directors and senior management of the Group, details of which are set out below:

Name	Position	Number of Shares underlying the unvested share awards under the Share Award Scheme as of December 31, 2021	Granted awards under the Share Award Scheme	Vested awards under the Share Award Scheme	Lapsed awards under the Share Award Scheme	Cancelled awards under the Share Award Scheme	Subscription price	Number of Shares underlying the unvested share awards under the Share Award Scheme as of December 31, 2024	Date of grant	Vesting date	Closing price of the Shares immediately before the date of grant	Weighted average closing price of the Shares immediately before the vesting date	Fair value of awards under the Share Award Scheme at the date of grant[1] (RMB'000)
Directors and chief executive of our Company													
Mr. Chen Guoming	Non-executive Director and Chairman of our Board	–	332,654	332,654	–	–	HK$2.63	–	March 30,2022	March 30,2022	HK$2.54	HK$2.54	711
		–	410,300	410,300	–	–	HK$2.534	–	March 30,2023	March 30,2023	HK$2.57	HK$2.57	875
Mr. Zhao Liang	Executive Director and First Vice President	–	117,039	117,039	–	–	HK$2.63	–	March 30,2022	March 30,2022	HK$2.54	HK$2.54	250
		–	355,146	355,146	–	–	HK$2.534	–	March 30,2023	March 30,2023	HK$2.57	HK$2.57	757
		–	938,008	938,008	–	–	HK$0.90	–	April 8, 2024	April 8, 2024	HK$0.90	HK$0.90	765
Mr. Yan Luying	Executive Director and Vice President	–	318,924	318,924	–	–	HK$2.63	–	March 30,2022	March 30,2022	HK$2.54	HK$2.54	681
		–	257,213	257,213	–	–	HK$2.534	–	March 30,2023	March 30,2023	HK$2.57	HK$2.57	549
		–	436,214	436,214	–	–	HK$0.90	–	April 8, 2024	April 8, 2024	HK$0.90	HK$0.90	356
Subtotal		–	3,165,498	3,165,498	–	–							4,944
Other grantees in aggregate		–	228,620	228,620	–	–	HK$2.63	–	March 30,2022	March 30,2022	HK$2.54	HK$2.54	488
		–	6,344	6,344	–	–	HK$2.62	–	January 19, 2022	April 30, 2022	HK$3.65	HK$2.77	19
		–	7,034	7,034	–	–	HK$3.27	–	February 15, 2022	April 30, 2022	HK$3.21	HK$2.77	22
		–	11,067	11,067	–	–	HK$2.08	–	March 15, 2022	April 30, 2022	HK$2.17	HK$2.77	34
		–	8,742	8,742	–	–	HK$2.64	–	April 19, 2022	April 30, 2022	HK$2.78	HK$2.77	27
		–	363,564	363,564	–	–	HK$2.534	–	March 30,2023	March 30,2023	HK$2.57	HK$2.57	775
		–	1,880,185	1,880,185	–	–	HK$0.90	–	April 8, 2024	April 8, 2024	HK$0.90	HK$0.90	1,533
Subtotal		–	2,505,556	2,505,556	–	–							2,898
Total		–	5,671,054	5,671,054	–	–							7,842

Note:

(1) The fair value of the Awarded Shares was calculated based on market prices of the Company's Shares as at the respective grant dates.

During the Reporting Period, the Company had granted 3,626,804 share awards pursuant to the Share Award Scheme to Directors and senior management of the Group, representing 0.15% of the issued share capital of the Company, details of which are set out below:

Name	Position	Number of Shares underlying the unvested share awards under the Share Award Scheme as of December 31, 2024	Granted awards under the Share Award Scheme during the Reporting Period	Vested awards under the Share Award Scheme during the Reporting Period	Lapsed awards under the Share Award Scheme during the Reporting Period	Cancelled awards under the Share Award Scheme during the Reporting Period	Subscription Price	Number of Shares underlying the unvested share awards under the Share Award Scheme as of June 30, 2025	Date of grant	Vesting date	Closing price of the Shares immediately before the date of grant	Weighted average closing price of the Shares immediately before the vesting date	Fair value of awards under the Share Award Scheme at the date of grant[1] (RMB'000)
Directors and chief executive of our Company													
Mr. Zhao Liang	Executive Director and First Vice President	–	397,302	397,302	–	–	HK$0.76	–	April 8, 2025	April 8, 2025	HK$0.76	HK$0.76	280
Ms. Yan Luying	Executive Director and Vice President	–	794,605	794,605	–	–	HK$0.76	–	April 8, 2025	April 8, 2025	HK$0.76	HK$0.76	560
Subtotal		–	1,191,907	1,191,907	–	–							840
Other grantees in aggregate		–	2,434,897	2,434,897	–	–	HK$0.76	–	April 8, 2025	April 8, 2025	HK$0.76	HK$0.76	1,715
Subtotal		–	2,434,897	2,434,897	–	–							1,715
Total		–	3,626,804	3,626,804	–	–							2,555

Notes:

(1) The fair value of the Awarded Shares was calculated based on market prices of the Company's shares as at the respective grant dates.

(2) The vesting of above awards is not subject to any performance targets.

Save as disclosed above, none of the grantees for awards granted and to be granted under the Share Award Scheme during the Reporting Period (i) are the Directors, chief executive or substantial Shareholders of the Company, or their respective associates; (ii) are awarded with awards granted and to be granted in excess of the 1% individual limit; and (iii) are related entity participants or service providers with awards granted and to be granted in any 12-month period exceeding 0.1% of the Shares in issue. No awards were granted or to be granted to any related entity participants, service providers or other employees during the Reporting Period.

The number of Shares that may be issued in respect of options and awards granted under all share incentive schemes of the Company during the Reporting Period divided by weighted average number of Shares in issue for the Reporting Period is 0.34%.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company strives to achieve high corporate governance standards. The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of Shareholders and to enhance corporate value and accountability.

The Company has adopted the Code Provisions of the CG Code as the basis of the Company's corporate governance practices during the Reporting Period, and has complied with all applicable Code Provisions as set out in the CG Code during the Reporting Period and up to the Latest Practicable Date.

The Company will continue to regularly review and monitor its corporate governance practices to ensure compliance with the Corporate Governance Code, and maintain a high standard of corporate governance practices of the Company.

Full details of the Company's corporate governance practices will be set out in the forthcoming Company's annual report for the year ending December 31, 2025.

INTERIM DIVIDEND

The Directors did not recommend the payment of an interim dividend to the Shareholders for the six months ended June 30, 2025 (for six months ended June 30, 2024: Nil).

AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENTS

The Audit Committee comprises three independent non-executive Directors, namely, Mr. Jonathan H. Chou (chairman), Ms. Sun Zhixiang and Dr. Hu Bingshan, respectively. The Audit Committee has adopted the terms of reference which are in line with the CG Code. The Audit Committee has reviewed the unaudited interim results of our Group for the six months ended June 30, 2025 and considered that the results complied with relevant accounting standards, rules and regulations and appropriate disclosure have been duly made.

INDEPENDENT REVIEW OF AUDITOR

The interim financial report for the six months ended June 30, 2025 is unaudited, but has been reviewed by KPMG, in accordance with Hong Kong Standard on Review Engagements No. 2410 "Review of interim financial information performed by the independent auditor of the entity" issued by the Hong Kong Institute of Certified Public Accountants, whose unmodified review report is included in this interim report.

CHANGES IN DIRECTORS' INFORMATION

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in the information of the Directors since December 31, 2024 and up to the Latest Practicable Date are set out below:

Mr. Jeffrey R Lindstrom resigned as an executive Director, President, and a director and the general manager of MP CardioFlow with effect from March 27, 2025. Mr. Zhang Ruinian has been appointed as an executive Director, President, and a director and the general manager of MP CardioFlow with effect from March 27, 2025 following the resignation of Mr. Jeffrey R Lindstrom. Please refer to the announcement of the Company dated March 27, 2025 for details.

Dr. Ding Jiandong (the "**Dr. Ding**") has retired as an independent non-executive Director and ceased to act as a member of each of the Audit Committee and Nomination Committee with effect from June 27, 2025. Dr. Hu Bingshan has been appointed as an independent non-executive Director and a member of each of the Audit Committee and Nomination Committee, with effect from June 27, 2025 following the retirement of Dr. Ding. Please refer to the announcement of the Company dated June 27, 2025 for details.

Save as disclosed above, there is no changes in Directors' information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

The Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

USE OF NET PROCEEDS FROM GLOBAL OFFERING

Our Company's Shares were listed on the Stock Exchange on February 4, 2021. The net proceeds from the Global Offering amounted to approximately HK$2,717.2 million (including the full exercise of the over-allotment option). On December 29, 2023, the Board has resolved to reallocate of unutilized net proceeds ("**Change of Use of Net Proceeds**"). For further details of the Change of Use of Net Proceeds, please refer to the Company's announcement dated January 1, 2024. The table below sets out the actual use of the net proceeds and the revised allocation of the unutilized net proceeds. As of June 30, 2025, our Company had used the net proceeds from the Global Offering for the following purposes:

	Amount of net proceeds for the relevant use HK$ million	Percentage of total net proceeds as disclosed in the Prospectus (before Change of Use of Net Proceeds)	Amount of proceeds unutilized as of December 15, 2023[1] HK$ million	Use of proceeds after reallocation HK$ million	Revised percentage of unutilized net proceeds	Actual amount of proceeds utilized as of January 1, 2025 HK$ million	Utilized amount during the Reporting Period HK$ million	Actual amount of proceeds utilized as of June 30, 2025 HK$ million	Amount of proceeds unutilized as of June 30, 2025 HK$ million	Expected timeframe for unutilized net proceeds
VitaFlow Liberty®										
— the ongoing R&D activities, clinical trial and product registration of VitaFlow Liberty®	423.9	15.6%	250.2	50.2	3.52%	203.6	16.6	220.2	3.7	2025
— the ongoing sales and marketing activities of VitaFlow Liberty® in China and overseas	391.3	14.4%	154.9	104.9	7.36%	331.3	10.0	341.3	—	2025
Subtotal	**815.2**	**30.0%**	**405.1**	**155.1**	**10.89%**	**534.9**	**26.6**	**561.5**	**3.7**	
VitaFlow®	**92.4**	**3.4%**	**19.2**	**19.2**	**1.35%**	**92.4**	**–**	**92.4**	**–**	
The remaining products										
— fund the research, preclinical, clinical trial and commercialization of VitaFlow™ III, and VitaFlow® Balloon Expandable	190.2	7.0%	98.5	98.5	6.91%	123.8	9.9	133.7	56.5	2025
— the ongoing and planned R&D of our TMV product candidates	312.5	11.5%	202.8	202.8	14.24%	147.0	4.7	151.7	160.8	2025
— the ongoing and planned R&D of our TTVR product candidates, surgical valves and procedural accessories	163.0	6.0%	127.1	75.0	5.27%	45.6	4.6	50.2	60.7	2025
— fund the planned commercialization activities after receiving the relevant regulatory approvals	67.9	2.5%	67.9	—	—	—	—	—	—	
Subtotal	**733.6**	**27.0%**	**496.3**	**376.3**	**26.42%**	**316.5**	**19.1**	**335.6**	**278.0**	
Fund the expansion of our product portfolio through collaboration with global enabler	**407.6**	**15.0%**	**53.2**	**523.2**	**36.73%**	**551.5**	**–**	**551.5**	**326.1**	**2025**

	Amount of net proceeds for the relevant use HK$ million	Percentage of total net proceeds as disclosed in the Prospectus (before Change of Use of Net Proceeds)	Amount of proceeds unutilized as of December 15, 2023[1] HK$ million	Use of proceeds after reallocation HK$ million	Revised percentage of unutilized net proceeds	Actual amount of proceeds utilized as of January 1, 2025 HK$ million	Utilized amount during the Reporting Period HK$ million	Actual amount of proceeds utilized as of June 30, 2025 HK$ million	Amount of proceeds unutilized as of June 30, 2025 HK$ million	Expected timeframe for unutilized net proceeds
Expand our production capacity and strengthen our manufacturing capabilities for VitaFlow® and VitaFlow Liberty®	396.7	14.6%	299.2	299.2	21.00%	144.5	17.1	161.6	235.1	2025
Working capital and general corporate purposes	271.7	10.0%	151.5	51.5	3.62%	154.2	13.0	167.2	4.5	2025
Total	2,717.2	100.0%	1,424.5	1,424.5	100.0%	1,794.0	75.9	1,869.8	847.4	

Note:

(1) December 15, 2023, being the latest practicable date for calculating the use of net proceeds from the Global Offering prior to the Change of Use of Net Proceeds.

Before the Change of Use of Net Proceeds, the net proceeds from the Global Offering have been used in a manner consistent with the disclosure in the Prospectus. Going forward, the net proceeds will be applied in the manner as set out in announcement of the Company dated January 1, 2024. As of the date of this interim report, saved as disclosed above, the Company does not anticipate any change to its plan on the use of proceeds. The Company expects that all the net proceeds from the Global Offering will be utilized in accordance with the intended uses disclosed in the announcement of the Company dated January 1, 2024 by the end of 2025. The expected timeline for utilizing the net proceeds from the Global Offering is based on the best estimation of future market conditions made by the Company and subject to changes in accordance with our actual business operation.

AUDITOR'S INDEPENDENT REVIEW REPORT TO THE BOARD OF DIRECTORS

Review report to the board of directors of MicroPort CardioFlow Medtech Corporation
(Incorporated in Cayman Islands with limited liability)

Introduction

We have reviewed the interim financial report set out on pages 57 to 80 which comprise the consolidated statement of financial position of MicroPort CardioFlow Medtech Corporation (the "**Company**") as of 30 June 2025 and the related consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity and condensed consolidated cash flow statement for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 *Interim financial reporting* as issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of the interim financial report in accordance with Hong Kong Accounting Standard 34.

Our responsibility is to express a conclusion, based on our review, on this interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity* as issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2025 is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 *Interim financial reporting*.

KPMG
Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

August 28, 2025

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

for the six months ended June 30, 2025 (unaudited)

(Expressed in Renminbi "RMB")

	Note	Six months ended 30 June 2025 RMB'000	2024 RMB'000
Revenue	3	**229,103**	223,138
Cost of sales		**(68,181)**	(64,914)
Gross profit		**160,922**	158,224
Other net income	4	**38,359**	41,866
Research and development costs		**(51,407)**	(83,090)
Selling and distribution costs		**(79,309)**	(87,164)
Administrative expenses		**(38,895)**	(31,756)
Fair value changes in financial instruments		**4,575**	2,448
Other operating costs	5(b)	**(30,428)**	(29,008)
Profit/(loss) from operations		**3,817**	(28,480)
Finance costs	5(a)	**(3,139)**	(2,021)
Gain on deemed disposal of interests in an associate	9	**27,070**	—
Share of losses of associates		**(26,788)**	(23,562)
Profit/(loss) before taxation	5	**960**	(54,063)
Income tax	6	**(3,157)**	(3,690)
Loss for the period		**(2,197)**	(57,753)
Attributable to:			
Equity shareholders of the company		**(2,163)**	(56,461)
Non-controlling interests		**(34)**	(1,292)
Loss per share	7		
Basic and diluted (expressed in RMB cents per share)		**(0.09)**	(2.40)

The notes on pages 64 to 80 form part of this interim financial report. Details of dividends payable to equity shareholders of the Company are set out in note 15(a).

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended June 30, 2025 (unaudited)

(Expressed in Renminbi "RMB")

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Loss for the period	**(2,197)**	(57,753)
Other comprehensive income for the period, net of nil tax		
Items that will not be reclassified to profit or loss:		
Exchange differences on translation of financial statements of the Company	**(11,167)**	20,239
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of foreign subsidiaries	**5,322**	(7,951)
Other comprehensive income for the period	**(5,845)**	12,288
Total comprehensive income for the period	**(8,042)**	(45,465)
Attributable to:		
Equity shareholders of the company	**(8,008)**	(44,173)
Non-controlling interests	**(34)**	(1,292)
Total comprehensive income for the period	**(8,042)**	(45,465)

The notes on pages 64 to 80 form part of this interim financial report.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

at June 30, 2025 (unaudited)

(Expressed in Renminbi "RMB")

	Note	At 30 June 2025 RMB'000	RMB'000	At 31 December 2024 RMB'000	RMB'000
Non-current assets					
Property, plant and equipment	8		**479,330**		505,964
Intangible assets			**177,639**		192,282
Interests in associates	9		**252,041**		165,762
Other financial assets	10		**10,328**		92,616
Other non-current assets			**44,402**		44,655
			963,740		1,001,279
Current assets					
Inventories		**108,753**		135,381	
Trade and other receivables	11	**274,734**		179,966	
Time deposits	12	**987,887**		1,250,782	
Pledged deposits		**325**		325	
Cash and cash equivalents	12	**332,069**		108,029	
		1,703,768		1,674,483	
Current liabilities					
Trade and other payables	13	**144,559**		358,569	
Contract liabilities		**12,831**		5,309	
Interest-bearing borrowings	14	**60,451**		37,500	
Lease liabilities		**19,322**		25,576	
Income tax payable		**8,371**		6,937	
		245,534		433,891	
Net current assets			**1,458,234**		1,240,592
Total assets less current liabilities			**2,421,974**		2,241,871

The notes on pages 64 to 80 form part of this interim financial report.

Consolidated Statements of Financial Position (Continued)

at June 30, 2025 (unaudited)

(Expressed in Renminbi "RMB")

	Note	At 30 June 2025 RMB'000	RMB'000	At 31 December 2024 RMB'000	RMB'000
Non-current liabilities					
Interest-bearing borrowings	14	**194,576**		4,000	
Lease liabilities		**5,267**		9,782	
Deferred income		**5,170**		6,400	
			205,013		20,182
NET ASSETS			**2,216,961**		2,221,689
CAPITAL AND RESERVES	15				
Share capital			**83**		83
Reserves			**2,182,428**		2,187,129
Total equity attributable to equity shareholders of the Company			**2,182,511**		2,187,212
Non-controlling interests			**34,450**		34,477
TOTAL EQUITY			**2,216,961**		2,221,689

Approved and authorised for issue by the board of directors on 28 August 2025.

Chen Guoming
Chairman

Zhang Ruinian
President

The notes on pages 64 to 80 form part of this interim financial report.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

for the six months ended June 30, 2025 (unaudited)

(Expressed in Renminbi "RMB")

		Attributable to equity shareholders of the Company							
	Note	Share capital RMB'000	Share premium RMB'000	Exchange reserve RMB'000	Capital reserve RMB'000	Accumulated losses RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at 1 January 2024		83	4,171,331	299,826	(388,045)	(1,748,332)	2,334,863	—	2,334,863
Changes in equity for the six months ended 30 June 2024:									
Loss for the period		—	—	—	—	(56,461)	(56,461)	(1,292)	(57,753)
Other comprehensive income		—	—	12,288	—	—	12,288	—	12,288
Total comprehensive income		—	—	12,288	—	(56,461)	(44,173)	(1,292)	(45,465)
Share issued under the share option scheme	15(c)(i)	—	267	—	(138)	—	129	—	129
Equity-settled share-based transactions	15(c)(i)	—	—	—	3,559	1,231	4,790	8	4,798
Share granted under the share award scheme	15(c)(iii)	—	—	—	2,654	—	2,654	—	2,654
Share repurchased under the share award scheme	15(b)	—	—	—	(36,147)	—	(36,147)	—	(36,147)
Business combination under common control		—	—	—	(101,485)	—	(101,485)	38,270	(63,215)
Balance at 30 June 2024		83	4,171,598	312,114	(519,602)	(1,803,562)	2,160,631	36,986	2,197,617

The notes on pages 64 to 80 form part of this interim financial report.

Consolidated Statements of Changes in Equity (Continued)

for the six months ended June 30, 2025 (unaudited)

(Expressed in Renminbi "RMB")

		Attributable to equity shareholders of the Company							
	Note	Share capital RMB'000	Share premium RMB'000	Exchange reserve RMB'000	Capital reserve RMB'000	Accumulated losses RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at 1 January 2025		83	4,171,598	328,456	(518,381)	(1,794,544)	2,187,212	34,477	2,221,689
Changes in equity for the six months ended 30 June 2025:									
Loss for the period		–	–	–	–	(2,163)	(2,163)	(34)	(2,197)
Other comprehensive income		–	–	(5,845)	–	–	(5,845)	–	(5,845)
Total comprehensive income		–	–	(5,845)	–	(2,163)	(8,008)	(34)	(8,042)
Equity-settled share-based transactions	15(c)(i)	–	–	–	(1,912)	3,555	1,643	8	1,651
Share granted under the share award scheme	15(c)(iii)	–	–	–	2,555	–	2,555	–	2,555
Share repurchased under the share award scheme	15(b)	–	–	–	(892)	–	(892)	–	(892)
Balance at 30 June 2025		83	4,171,598	322,611	(518,630)	(1,793,152)	2,182,510	34,451	2,216,961

The notes on pages 64 to 80 form part of this interim financial report.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

for the six months ended June 30, 2025 (unaudited)

(Expressed in Renminbi "RMB")

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Operating activities		
Cash used in operations	**(13,564)**	(79,860)
Tax paid	**(1,723)**	(4,994)
Net cash used in operating activities	**(15,287)**	(84,854)
Investing activities		
Payments for the purchase of property, plant and equipment	**(229,955)**	(5,421)
Payments for the purchase of intangible assets	**(228)**	—
Proceeds from disposal of property, plant and equipment	**—**	203
Placement of time deposits	**(1,421,204)**	(756,938)
Withdrawal of time deposits	**1,679,605**	710,740
Interest received	**17,703**	38,658
Acquisition of subsidiary, net of cash acquired	**—**	(82,059)
Payments for the acquisition of other financial assets	**—**	(35,509)
Net cash generated from/(used in) investing activities	**45,921**	(130,326)
Financing activities		
Proceeds from interest-bearing borrowings	**226,560**	—
Repayments of interest-bearing borrowings	**(13,250)**	(1,500)
Interest paid for interest-bearing borrowings	**(2,131)**	(440)
Capital element of lease rentals paid	**(15,402)**	(14,004)
Interest element of lease rentals paid	**(656)**	(1,598)
Payment for shares repurchased under share award scheme	**(892)**	(36,147)
Proceeds from shares issued under share option scheme	**—**	129
Net cash generated from/(used in) financing activities	**194,229**	(53,560)
Net increase/(decrease) in cash and cash equivalents	**224,863**	(268,740)
Cash and cash equivalents at the beginning of the period	**108,029**	1,065,085
Effect of foreign exchange rate changes	**(823)**	4,752
Cash and cash equivalents at the end of the period	**332,069**	801,097

The notes on pages 64 to 80 form part of this interim financial report.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

1 Basis of preparation

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard ("**HKAS**") 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). It has been reviewed by the audit committee of the Company and was authorised for issue on 28 August 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of MicroPort CardioFlow Medtech Corporation (the "**Company**") and its subsidiaries (together, the "**Group**") since the 2024 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") Accounting Standards.

This interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA. KPMG's independent review report to the Board of Directors of the Company is included on page 56.

The financial information relating to the financial year ended 31 December 2024 that is included in the interim financial report as comparative information does not constitute the Company's annual consolidated financial statements for that financial year but is derived from those financial statements. The Company's annual consolidated financial statements for the year ended 31 December 2024 are available from the Company's registered office. The auditors have expressed an unqualified opinion on those financial statements in their report dated 27 March 2025.

(Expressed in Renminbi unless otherwise indicated)

2 Changes in accounting policies

The Group has applied the amendments to HKAS 21, *The effects of changes in foreign exchange rates: Lack of exchangeability* issued by the HKICPA to this interim financial report for the current accounting period. The amendments do not have a material impact on this interim report as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 Revenue

(a) Revenue

The Group derives revenue principally from the sales of medical devices through appointed distributors.

Disaggregation of revenue from contracts with customers by major products and the timing of revenue recognition is as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Revenue from contracts with customers within the scope of HKFRS 15		
Sales of medical devices — point in time	**229,103**	223,138

(Expressed in Renminbi unless otherwise indicated)

3 Revenue (Continued)

(b) Segment and geographical information

For the purpose of making decisions about resources allocation and performance assessment, the Group's management focuses on the operating results of the Group as a whole. As such, the Group's resources are integrated, and no discrete operating segment information is available. Accordingly, no operating segment information is presented.

The following table sets out information about the geographical location of the Group's revenue from external customers.

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
The People's Republic of China (the "**PRC**") (country of domicile)	**201,844**	215,008
Europe, Middle East, and Africa	**17,017**	1,896
Asia (excluding the PRC)	**6,110**	1,079
South America	**4,132**	5,155
	229,103	223,138

4 Other net income

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Government grants (Note)	**7,630**	3,649
Interest income on bank deposits	**29,895**	38,763
Interest income on other financial assets carried at amortised cost	**568**	617
Net foreign exchange losses	**(11)**	(1,240)
Others	**277**	77
	38,359	41,866

Note: Majority of the government grants are subsidies received from government for encouragement of research and development projects.

(Expressed in Renminbi unless otherwise indicated)

5 Profit/(loss) before taxation

Profit/(loss) before taxation is arrived at after charging:

(a) Finance costs

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Interest on lease liabilities	**656**	1,598
Interest on interest-bearing borrowings	**2,348**	335
Total interest expense on financial liabilities not at fair value through profit or loss	**3,004**	1,933
Others	**135**	88
	3,139	2,021

(b) Other operating costs

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Donation expenditure (note)	**27,978**	29,000
Others	**2,450**	8
	30,428	29,008

Note: During the six months ended 30 June 2025, the Group made charitable and other donations to the third-party charitable organisation amounted to RMB27,978,000 (six months ended 30 June 2024: RMB29,000,000).

(Expressed in Renminbi unless otherwise indicated)

5 Profit/(loss) before taxation (Continued)

(c) Other items

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Amortisation of intangible assets	**15,020**	14,345
Depreciation charge		
— owned property, plant and equipment	**16,701**	14,694
— right-of-use assets	**17,206**	14,445
	48,927	43,484
(Reversal of)/provisions for inventory write-down	**(499)**	1,491

6 Income tax

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Current tax — PRC Corporate Income Tax ("**CIT**")	**3,157**	3,690

Pursuant to the CIT Law of the PRC, all of the Company's PRC subsidiaries are liable to PRC CIT at a rate of 25%, except for Shanghai MicroPort CardioFlow Medtech Co., Ltd., which is entitled to a preferential income tax rate of 15% as it is certified as a "High and New Technology Enterprise" ("**HNTE**"). According to Guoshuihan 2009 No. 203, if an entity is certified as an HNTE, it is entitled to a preferential income tax rate of 15% during the certified period.

The current tax expenses during the six months ended 30 June 2025 arose from the interest income on cash deposited in non-resident accounts of the Company's subsidiaries that were domiciled outside the PRC, which is subject to a PRC withholding tax at a rate of 10%.

Taxation for other entities of the Group is similarly calculated using the estimated annual effective rate of taxation that are expected to be applicable in the relevant jurisdictions.

(Expressed in Renminbi unless otherwise indicated)

7 Loss per share

(a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to ordinary equity shareholders of the Company of RMB2,163,000 for the six months ended 30 June 2025 (six months ended 30 June 2024: RMB56,461,000) and the weighted average of 2,328,922,000 shares (six months ended 30 June 2024: 2,347,841,000 shares).

(b) Diluted loss per share

The calculation of diluted loss per share amount for the period ended 30 June 2025 and 2024 has not included the potential effects of share options granted by the Company (see note 15(c)), as they had anti-dilutive effects on the basic loss per share amount for the respective periods. Accordingly, diluted loss per share for the period ended 30 June 2025 and 2024 are the same as basic loss per share of the respective periods.

8 Property, plant and equipment

During the six months ended 30 June 2025, the Group acquired items of plant and equipment with a cost of RMB2,371,000 (six months ended 30 June 2024: RMB3,450,000). Items of property, plant and equipment with a net book value of RMB7,000 were disposed of during the six months ended 30 June 2025 (six months ended 30 June 2024: RMB248,000), resulting in losses on disposal of RMB7,000 (six months ended 30 June 2024: RMB45,000).

9 Interests in associates

The following list contains only the particulars of a material associate, which is unlisted corporate entity whose quoted market price is not available:

				Proportion of ownership interest			
Name of associate	Form of business structure	Place of incorporation and business	Particulars of issued and paid-up capital	Group's effective interest	Held by the Company	Held by a subsidiary	Principal activity
4C Medical	Incorporated	United States	5,126,122 ordinary shares and 92,277,906 preferred shares	24.3%	20.4%	3.9%	Research and development of medical devices treating mitral valve diseases

(Expressed in Renminbi unless otherwise indicated)

9 Interests in associates (Continued)

4C Medical

During 2018 to 2022, the Group entered into subscription and shareholders agreements with 4C Medical, purchasing series A preferred shares, series B preferred shares and series C preferred shares of 4C Medical. As at 30 June 2025, these investments in 4C Medical were recognised as the investment in associates and were accounted for under using the equity method.

On 5 March 2025, 4C Medical completed the initial closing of its Series D round financing and it triggered the automatic conversion of all outstanding convertible instruments into 4C Medical's preferred shares at the designated conversion price. Except for the conversion of convertible instruments, the Group did not contribute any new capitals in the series D round financing while other investors have contributed US$40,000,000 to obtain additional preferred shares issued by 4C Medical. The Group's effective interest in 4C Medical was then decreased from 29.6% to 24.3%. This dilution of the interests in 4C Medical was accounted for as a deemed disposal of partial interest in 4C Medical and a dilution gain of US$3,771,000 (equivalent to RMB27,070,000) was recognised as "gain on deemed disposal of interests in an associate" in the consolidated statement of profit or loss of the Group for the six months ended 30 June 2025.

10 Other financial assets

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Financial assets measured at FVPL		
— Unlisted debt securities issued by 4C Medical (note 9)	**—**	82,457
— Unlisted equity and debt securities issued by Valcare (note 16)	**—**	—
Financial assets measured at amortised cost		
— Loans to a related party	**10,328**	10,159
Total	**10,328**	92,616

Financial assets measured at amortised cost

On 19 July, 2024, the Group and Dongguan Kewei Medical Instrument Co., Ltd. ("**Kewei Medical**"), the subsidiary of MicroPort Scientific Corporation ("**MPSC**", the ultimate controlling party of the Group), entered into a loan agreement, pursuant to which, the Group agreed to grant Kewei Medical a loan facility in a principal amount of RMB10,000,000, at an interest rate equivalent of 3.35%. The loan facility was secured by certain equipment and facilities of Kewei Medical and will be mature in July 2026.

(Expressed in Renminbi unless otherwise indicated)

11 Trade and other receivables

As of the end of the reporting period, the ageing analysis of trade receivables (which are included in trade and other receivables), based on the invoice date and net of allowance for doubtful debts, is as follows:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Within 3 months	**185,284**	124,633
Over 3 months but within 6 months	**36,908**	8,205
Over 6 months but within 9 months	**599**	2,242
Over 9 months but within 1 year	**—**	438
Over 1 year	**167**	1,073
Trade receivables, net of loss allowance	**222,958**	136,591
Bills receivable	**18,673**	19,175
Trade and bill receivables, net	**241,631**	155,766
Value-added tax recoverable	**709**	660
Interest receivables	**23,476**	14,562
Prepayments	**7,634**	7,737
Deposits and other debtors	**1,284**	1,241
Trade and other receivables, net of loss allowance	**274,734**	179,966

All trade receivables are due within 60 to 180 days from the date of billing. Debtors with balances that are past due are requested to settle all outstanding balances before any further credit is granted.

12 Time deposits, cash and cash equivalents

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Time deposits	**987,887**	1,250,782
Cash and cash equivalents		
Deposits with banks	**332,069**	108,029

(Expressed in Renminbi unless otherwise indicated)

13 Trade and other payables

As of the end of the reporting period, the ageing analysis of trade payables (which are included in trade and other payables), based on the invoice date, is as follows:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Within 1 month	**23,042**	30,876
Over 1 month but within 3 months	**3,183**	7,195
Over 3 months but within 6 months	**278**	241
Over 6 months but within 1 year	**882**	221
Over 1 year	**744**	1,260
Total trade payables	**28,129**	39,793
Accrued payroll	**30,224**	28,922
Other payables and accrued charges	**86,206**	63,294
Consideration payables in connection with the acquisition of a subsidiary that do not constitute a business	**—**	226,560
Financial liabilities measured at amortised cost	**144,559**	358,569

14 Interest-bearing borrowings

(a) The analysis of the repayment schedule of interest-bearing borrowings is as follows:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Within 1 year or on demand	**60,451**	37,500
After 1 year but within 2 years	**58,640**	4,000
After 2 year but within 3 years	**135,936**	—
	255,027	41,500

(Expressed in Renminbi unless otherwise indicated)

14 Interest-bearing borrowings (Continued)

(b) The analysis of the carrying amount of interest-bearing borrowings is as follows:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Secured bank loans	226,777	—
Unsecured bank loans	28,250	41,500
	255,027	41,500

As at 30 June 2025, secured bank loans of RMB226,777,000 were secured by a pledge of 100% equity interest of a subsidiary and was also secured by all lands and buildings owned by this subsidiary, with interest of 3.13% per annum.

As at 30 June 2025, unsecured bank loans of RMB12,750,000 and RMB15,500,000 were guaranteed by the ultimate holding company MPSC and a subsidiary of the Group respectively, with interest ranging from 2.75% to 3.30% per annum.

15 Capital, reserves and dividends

(a) Dividends

The directors of the Company did not propose the payment of any dividend during the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

(b) Purchase of own shares

During the six months ended 30 June 2025, the Company purchased its own ordinary shares through the designated trustee under the share award scheme (note 15(c)(iii)) as follows:

Month/year	No. of shares repurchased	Highest price paid per share HK$	Lowest price paid per share HK$	Aggregate considerations paid RMB'000
January 2025	1,415,000	0.73	0.67	892
Total	1,415,000			892

Repurchased shares held at the end of reporting period were classified as treasury shares and presented as a decrease in the capital reserve.

(Expressed in Renminbi unless otherwise indicated)

15 Capital, reserves and dividends (Continued)

(c) Equity-settled share-based payment transactions

(i) Share option plans adopted by the Company (equity-settled)

In March 2020, the Company adopted a share option scheme (the "**Share Option Scheme**"), pursuant to which, the board of the directors may authorise, at their discretion, the issuance of share options to (i) the executives and employees of the Group and (ii) the directors and employees of MPSC and its subsidiaries other than the Group who have contributed or will contribute to the development of the Group. Each option gives the holder the right to subscribe for one ordinary share of the Company.

The movements in the number and weighted-average exercise prices of share options are as follow:

	2025		2024	
	Weighted average exercise price HK$	**Number of options '000**	Weighted average exercise price HK$	Number of options '000
Outstanding at January 1	**2.33**	**84,511**	2.68	80,294
Granted during the period	**1.11**	**8,138**	1.00	14,323
Exercised during the period	**—**	**—**	1.24	(115)
Forfeited during the period	**2.33**	**(4,586)**	2.90	(3,553)
Lapsed during the period	**2.48**	**(3,212)**	6.21	(795)
Outstanding at June 30	**2.21**	**84,851**	2.37	90,154

The share options granted during the six months ended 30 June 2025 are exercisable upon vesting and then expire from March 2026 to March 2035.

(ii) Share option plans granted by the ultimate controlling party (equity-settled)

MPSC, the ultimate controlling party of the Group, has granted certain share options to the employee of the Group. Each option gives the holder the right to subscribe for one ordinary share of MPSC, while the Group did not have an obligation to settle such transaction.

During the period ended 30 June 2025, MPSC did not grant any share option to the employee of the Group (six months ended 30 June 2024: 111,725). These share options are vested in instalments over an explicit vesting period of one to seven years. Each instalment is accounted for as a separate share-based compensation arrangement. The contractual life of the options is ten years.

During the six months ended 30 June 2025, nil share options were exercised (six months ended 30 June 2024: nil).

(Expressed in Renminbi unless otherwise indicated)

15 Capital, reserves and dividends (Continued)

(c) Equity-settled share-based payment transactions (Continued)

(iii) Share award scheme (equity-settled)

Pursuant to a share award scheme approved by the board of directors of the Company in March 2021, the Company may purchase its own shares and grant such shares to certain directors, employees, consultants and advisors of the Group. For the six months ended 30 June 2025, the Company granted 3,626,804 shares (six months ended 30 June 2024:3,254,407) with a fair value of RMB2,555,000 (six months ended 30 June 2024: RMB2,654,000) to the Group's executives and employees.

16 Fair value measurement of financial instruments

(a) Financial assets measured at fair value

(i) Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of each reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

— Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date

— Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available

— Level 3 valuations: Fair value measured using significant unobservable inputs

At the end of the reporting date, an analysis of changes in fair value measurement is prepared by the finance department with reference to the relevant valuation reports from the external valuer and is reviewed and approved by the chief financial officer.

(Expressed in Renminbi unless otherwise indicated)

16 Fair value measurement of financial instruments (Continued)

(a) Financial assets measured at fair value (Continued)

(i) Fair value hierarchy (Continued)

As at 30 June 2025, the Group held preferred shares and unsecured convertible instruments issued by Valcare Inc. ("**Valcare**"), both with fair value of nil as determined by the adjusted net asset approach and default risk method respectively.

	Fair value at 31 December 2024 RMB'000	Fair value measurements as at 31 December 2024 categorised into		
		Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000
Recurring fair value measurement				
Financial assets:				
— Convertible instruments issued by 4C Medical (note 9)	82,457	—	—	82,457
— Convertible instruments issued by Valcare	—	—	—	—
— Unlisted equity securities issued by Valcare	—	—	—	—

During the six months ended 30 June 2025, there were no transfers between Level 1 and Level 2, or transfers into or out of level 3 (2024: no transfers between Level 1 and Level 2 or transfers into or out of Level 3). The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of each of the reporting period in which they occur.

(Expressed in Renminbi unless otherwise indicated)

16 Fair value measurement of financial instruments (Continued)

(a) Financial assets measured at fair value (Continued)

(ii) Information about Level 3 fair value measurements

	Valuation techniques	Significant unobservable inputs	Range
Convertible instruments issued by 4C Medical	Default risk method	Event probability	Not Applicable (2024: 90%)
		Probability of default of underlying asset	Not Applicable (2024: 100%)
Convertible instruments issued by Valcare	Default risk method (note)	Event probability	0% (2024: 0%)
		Probability of default of underlying asset	100% (2024: 100%)
Unlisted equity securities issued by Valcare	Adjusted net asset approach	Adjusted net asset value	Nil (2024: Nil)

Note: As at 30 June 2025, it is estimated that with all other variables held constant, an increase in the probability of event by 10% would have decreased the Group's loss by RMB807,000 and a decrease in the probability of default of underlying asset by 5% would have decrease the Group's loss by RMB2,421,000.

The movements during the six months ended 30 June 2025 in the balance of these Level 3 fair value measurements are as follows:

	2025 RMB'000	2024 RMB'000
Financial assets:		
At January 1	**82,457**	24,282
Additions	**—**	35,509
Changes in fair value recognised in profit or loss during the period	**4,575**	2,448
Exchange adjustments	**(199)**	283
Transfer to interests in associates	**(87,032)**	—
At June 30	**—**	62,522

(Expressed in Renminbi unless otherwise indicated)

16 Fair value measurement of financial instruments (Continued)

(b) Fair value of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost were not materially different from their fair values as at 30 June 2025 and 31 December 2024.

17 Commitments

Capital commitments in respect of property, plant and equipment and intangible assets outstanding at 30 June 2025 not provided for in the interim financial statements are as follows:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Contracted for		
— acquisition of property, machinery and equipment	**8,792**	12,359

18 Material related party transactions

(a) Key management personnel remuneration

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Salaries and other benefits	**1,751**	2,243
Discretionary bonuses	**1,655**	2,205
Equity-settled share-based payment expenses	**1,124**	2,080
	4,530	6,528

(Expressed in Renminbi unless otherwise indicated)

18 Material related party transactions (Continued)

(b) Sales, purchase and other related party transactions

During the six months ended 30 June 2025 and 2024, the Group entered into transactions with the following related parties:

Name of party	Relationship
MPSC	Ultimate controlling party of the Group
Shanghai MicroPort Medical (Group) Co., Ltd.	Fellow subsidiary of the Group
MicroPort Medical B.V.	Fellow subsidiary of the Group
MicroPort Colombia S.A.S.	Fellow subsidiary of the Group
Jiaxing MicroPort Medtech Co., Ltd.	Fellow subsidiary of the Group
MicroPort Sorin CRM Co., Ltd.	Fellow subsidiary of the Group
MicroPort Sinica Co., Ltd.	Fellow subsidiary of the Group
Shanghai MicroPort Rhythm MedTech Co., Ltd	Fellow subsidiary of the Group
MicroPort Scientific Vascular Brasil Ltda.	Fellow subsidiary of the Group
MicroPort International Corp. Limited	Fellow subsidiary of the Group
Shanghai MicroPort Cova-cloud Medtech Co., Ltd.	Fellow subsidiary of the Group
Shanghai Weichuang Weilian Weitong Health Management Co., Ltd	Fellow subsidiary of the Group
Shanghai Chongduozhu Health Technology Co., Ltd.	Fellow subsidiary of the Group
Shanghai Huanbo Digital Technology Co., Ltd.	Fellow subsidiary of the Group
Sorin CRM SAS	Fellow subsidiary of the Group
MicroPort Surgical Medical Technology (Shanghai) Co., Ltd.	Fellow subsidiary of the Group
Zhejiang Accupath Smart Manufacturing (Group) Co., Ltd.	Equity-accounted investee of MPSC
SuZhou ProSteri Medical Technology Co., Ltd.	Equity-accounted investee of MPSC
Shanghai HuaRui Bank Co., Ltd.	Equity-accounted investee of MPSC
Shanghai SafeWay Medicare Co., Ltd.	Equity-accounted investee of MPSC
Shanghai InnovaPath Medical Co., Ltd.	Equity-accounted investee of MPSC
Suzhou Integrity Test Co., Ltd.	Equity-accounted investee of MPSC
Shanghai Integrity Test Co., Ltd.	Equity-accounted investee of MPSC
Thai Otsuka Pharmaceutical Co., Ltd. ("**Thai Otsuka**")	Subsidiary of Otsuka Holdings Co., Ltd., the controlling party of substantial shareholder of MPSC

(Expressed in Renminbi unless otherwise indicated)

18 Material related party transactions (Continued)

(b) Sales, purchase and other related party transactions (Continued)

Particulars of the Group's transactions with related parties are as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Service fee charged by subsidiaries of MPSC	**7,108**	13,641
Service fee charged by equity-accounted investees of MPSC	**2,381**	2,496
Purchase of goods from equity-accounted investees of MPSC	**2,001**	2,006
Sales of goods to subsidiaries of MPSC	**19,764**	2,966
Sales of goods to Thai Otsuka	**—**	848
Interest from a subsidiary of MPSC	**159**	—
Rental income from a subsidiary of MPSC	**121**	—
The total considerations to acquire equity interests of a subsidiary of MPSC	**—**	124,248

19 Non-adjusting events after the Reporting Period

(a) On 30 May 2025, the Group entered into an equity transfer agreement with MicroPort Sinica Co., Ltd. and Shanghai Zuoqing Enterprise Management Consulting Service Centre (Limited Partnership), pursuant to which the Group agreed to acquire the remaining 49% equity interests in MP CardioAdvent, at a total cash consideration of RMB170,863,000. The transaction was completed in July 2025, and MP CardioAdvent became a wholly-owned subsidiary of the Group upon the completion.

(b) On 16 July 2025, the board ("**Board**") of directors of the Group received a non-binding proposal from MPSC, relating to the proposed strategic restructuring of the cardiac rhythm management business of the MPSC which is operated by MicroPort Cardiac Rhythm Management Limited ("**MP CRM**") and its subsidiaries, pursuant to which, subject to further negotiations with interested parties, the execution of definitive agreements and obtaining the necessary consents and approvals, such cardiac rhythm management business will be consolidated with the business of the Group. As of the date of this report, the Board is still in the process of considering and assessing the proposal.