



康澧生物科技(上海)股份有限公司  
Cryofocus Medtech (Shanghai) Co., Ltd.

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

Stock Code: 6922



2025 INTERIM REPORT

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# Corporate Information

## BOARD OF DIRECTORS

### Executive Directors

Mr. LI Kejian (李克儉) (*Chairperson*)  
 Mr. ZHU Jun (朱軍) (*General manager*)  
 Mr. LIU Wei (劉偉) (*Chief financial officer, board secretary and joint company secretary*)

### Non-executive Directors

Mr. LV Shiwen (呂世文)  
 Mr. ZHAO Chunsheng (趙春生)

### Independent non-executive Directors

Dr. GAO Dayong (高大勇)  
 Mr. LIANG Hsien Tse Joseph (梁顯治)  
 Dr. QIN Zheng (覃正)  
 Dr. HU Henan (胡赫男)

## AUDIT COMMITTEE

Mr. LIANG Hsien Tse Joseph (梁顯治) (*Chairperson*)  
 Mr. ZHAO Chunsheng (趙春生)  
 Dr. QIN Zheng (覃正)

## REMUNERATION COMMITTEE

Dr. QIN Zheng (覃正) (*Chairperson*)  
 Mr. LIANG Hsien Tse Joseph (梁顯治)  
 Mr. LI Kejian (李克儉)

## NOMINATION COMMITTEE

Mr. LI Kejian (李克儉) (*Chairperson*)  
 Dr. QIN Zheng (覃正)  
 Dr. HU Henan (胡赫男)

## SUPERVISORS

Ms. LI Jiawei (李佳蔚) (*Chairperson*)  
 Mr. ZHU Haorong (朱浩榮)  
 Mr. QIU Junkang (邱軍康)

## JOINT COMPANY SECRETARIES

Mr. LIU Wei (劉偉)  
 Ms. LEUNG Wai Yan (梁慧欣) (*ACG, HKACG*)

## AUTHORIZED REPRESENTATIVES

Mr. ZHU Jun (朱軍)  
 Ms. LEUNG Wai Yan (梁慧欣)

## REGISTERED OFFICE, HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

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 PRC

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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 Hong Kong

## AUDITOR

Ernst & Young  
*Certified Public Accountants and  
 Registered Public Interest Entity Auditor*  
 27/F, One Taikoo Place  
 979 King's Road  
 Quarry Bay  
 Hong Kong

## LEGAL ADVISERS

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 O'Melveny & Myers  
 31/F, AIA Central  
 1 Connaught Road Central  
 Hong Kong

*As to PRC law:*  
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 Ningbo, Zhejiang  
 PRC



**H SHARE REGISTRAR**

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716  
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Hong Kong

**PRINCIPAL BANKS**

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Sub-branch)  
2nd Floor, No. 1441  
Changyang Road  
Yangpu District  
Shanghai  
PRC

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Jiangbei District  
Ningbo City  
Zhejiang Province  
PRC

**STOCK CODE**

6922

**COMPANY'S WEBSITE**

[www.cryofocus.com](http://www.cryofocus.com)

**LISTING DATE**

December 30, 2022

# Financial Highlights

	Six months ended June 30,	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Revenue	51,106	19,475
Gross profit	34,312	15,281
Research and development expenses	(17,907)	(37,222)
Loss for the period	(27,221)	(55,953)

## BUSINESS HIGHLIGHTS

During the Reporting Period and up to the date of this interim report, we have made various progress with respect to our product pipeline and business operations, including but not limited to:

- Our revenue increased by RMB31.6 million, or 162.4%, from RMB19.5 million for the six months ended June 30, 2024 to RMB51.1 million for the six months ended June 30, 2025, mainly driven by the increase in the sales volume of our respiratory intervention products, such as Malignant Stenosis Cryoablation System which was approved by the NMPA in March 2025 and the Cryoadhesion System. Besides, the distribution sales of other respiratory intervention products of BSC International Medical Trading (Shanghai) Co., Ltd. ("**BSC**") increased accordingly during the Reporting Period.
- Our loss for the Reporting Period significantly decreased by RMB28.8 million, or 51.4%, from RMB56.0 million for the six months ended June 30, 2024 to RMB27.2 million for the six months ended June 30, 2025 due to we optimize the development strategy and implement effective expense control measures of our Group.
- We received the NMPA approval for our Malignant Stenosis Cryoablation System, which is one of the Group's respiratory intervention products, in March 2025, and we have commercialized it in China since May 2025.
- The Asthma Cryoablation System was granted designation as a "Breakthrough Medical Device" by the FDA in July 2025.
- We received the NMPA approval for the registration change of Disposable Cryoprobe of Cryoadhesion system in August 2025.

# Management Discussion and Analysis

## I. BUSINESS REVIEW

### Overview

We are an innovative medical device company in China with a main focus on the field of minimally-invasive interventional cryotherapy. We use liquid nitrogen as the main cryogenic source for cryotherapy systems by leveraging our unique liquid nitrogen cryoablation technology and advanced flexible catheter technology. Since our inception in 2013, we have developed a comprehensive product portfolio mainly focusing on two therapeutic areas: (i) vascular interventional therapy for the treatment of atrial fibrillation, hypertension and other cardiovascular diseases; and (ii) natural orifice transluminal endoscopic surgery, or NOTES, for the treatment of urinary, respiratory, and digestive diseases (e.g., bladder cancer, chronic obstructive pulmonary disease, asthma, airway stenosis, gastric cancer, and esophageal cancer). We believe our competitive advantage, technologies and product pipeline have helped us establish high entry barriers difficult for our competitors to surpass.

### Products and Pipeline

We have developed a comprehensive product portfolio including 14 cryotherapy products and product candidates with a main focus on vascular intervention and NOTES, as well as nine additional non-cryotherapy products and product candidates. We have commercialized eleven products as of June 30, 2025. The following diagram summarizes the status of our products and product candidates as of June 30, 2025:

Products/Product Candidates		Indications/ Clinical Applications	NMPA Classification	Development Stage			Expected/Actual Time of Completion of the Current Stage	Expected/Actual Time of Approval for Commercialization	
				Pre-Clinical	Clinical	Registration and Approval			
Our Products and Products Candidates									
Vascular Interventional Cryotherapy Products and Product Candidates	Vascular Intervention	AF Cryoablation System (心臟冷凍消融系統)	Paroxysmal atrial fibrillation	III	<div><div></div></div>	<div><div></div></div>	N/A	Dec-23	
		Cryo-RDN System (CryoFocus 冷凍消融系統)	Resistant hypertension	III	<div><div></div></div>	<div><div></div></div>	2H26	2H27	
		Pulmonary Hypertension Cryoablation System (肺動脈高壓冷凍消融系統)	Pulmonary hypertension	III	<div><div></div></div>	<div><div></div></div>	2H26	2H29	
NOTES Interventional Cryotherapy Products and Product Candidates	Respiratory Intervention	COPD Cryospray System (慢阻肺冷凍噴霧治療系統)	COPD with chronic bronchitis	III	<div><div></div></div>	<div><div></div></div>	2H25	2H26	
		Asthma Cryoablation System (哮喘冷凍消融系統)	Moderate and severe asthma	III	<div><div></div></div>	<div><div></div></div>	2H25	2H26	
		Malignant Stenosis Cryoablation System (惡性狹窄冷凍消融系統)	Malignant airway stenosis	III	<div><div></div></div>	<div><div></div></div>	N/A	Mar-25	
		Benign Stenosis Cryoablation System (良性狹窄冷凍消融系統)	Benign airway lesion	III	<div><div></div></div>	<div><div></div></div>	1H27	2H27	
		Peri-Pulmonary Nodule Cryoablation System (肺周結節冷凍消融系統)	Peri-pulmonary nodules	III	<div><div></div></div>	<div><div></div></div>	2H26	2H27	
		Cough Cryospray System (咳嗽冷凍噴霧治療系統)	Chronic cough	III	<div><div></div></div>	<div><div></div></div>	2H27	2H28	
	Cancer Intervention	Tuberculosis Cryospray System (結核冷凍噴霧治療系統)	Tracheobronchial tuberculosis	III	<div><div></div></div>	<div><div></div></div>	2H25	2H26	
		CryoAdhesion System (冷凍粘連治療系統)	Biopsy, stenosis recanalization and foreign body retrieval	III	<div><div></div></div>	<div><div></div></div>	N/A	Jan-24	
		Bladder Cryoablation System (膀胱冷凍消融系統)	Non-muscle-invasive bladder tumors	III	<div><div></div></div>	<div><div></div></div>	N/A	Jun-22	
		Gastric Cryoablation System (胃部冷凍消融系統)	Gastric tumors	III	<div><div></div></div>	<div><div></div></div>	2H25	2H26	
		Esophageal Cryospray System (食道冷凍噴霧治療系統)	Intermediate to advanced esophagus cancer	III	<div><div></div></div>	<div><div></div></div>	2H25	1H27	
		Atrial Fibrillation Pulsed Field Ablation System (房顫脈衝電場消融(PFA)系統)	Paroxysmal atrial fibrillation	III	<div><div></div></div>	<div><div></div></div>	1H26	1H27	
Non-Cryotherapy Products and Product Candidates	Anti-Gastroesophageal Reflux System (抗胃食管反流系統)	Anti-Gastroesophageal Reflux System	Gastroesophageal reflux disease	III	<div><div></div></div>	<div><div></div></div>	2H25	2H25	
		Pulmonary Nodule Localization Needle (肺結節定位針)	CT-guided localization of lung nodules	III	<div><div></div></div>	<div><div></div></div>	N/A	Mar-19	
		Endoscopic Clip for Anastomosis (內鏡吻合夾)	Closure treatment of soft tissues	II	<div><div></div></div>	<div><div></div></div>	N/A	Aug-22	
	Laparoscopic Single Port Multi-Channel Access Platform (單孔多通道腹腔鏡手術入路系統)	Laparoscopic Single Port Multi-Channel Access Platform	Laparoscopic surgery	II	<div><div></div></div>	<div><div></div></div>	N/A	Feb-17	
		Wound Retractor (開創保護器)	Small incision surgery and minimally invasive surgery	II	<div><div></div></div>	<div><div></div></div>	N/A	May-14	
		Ureteral Dilatation Balloon Catheter (輸尿管擴張球囊導管)	Ureteral Stricture	II	<div><div></div></div>	<div><div></div></div>	N/A	Dec-18	
		Laparoscopic Biopsy Bag (腹腔鏡用活检袋)	Biopsy	II	<div><div></div></div>	<div><div></div></div>	N/A	May-14	
		Laparoscopic Surgical Instrument (腹腔鏡手術器械)	Laparoscopy	II	<div><div></div></div>	<div><div></div></div>	N/A	Oct-18	
						<div><div></div></div>	Commercialized	<div><div></div></div>	Product Status

★ Commercialized    ■ Product Status



## Our Products and Product Candidates

### Vascular Interventional Cryotherapy Products and Product Candidates

#### Vascular Intervention

##### 1. AF Cryoablation System

Our Atrial Fibrillation Cryoablation System (心臟冷凍消融系統) (“**AF Cryoablation System**”) is a self-developed cryoablation system indicated for the treatment of paroxysmal atrial fibrillation. The AF Cryoablation System treats atrial fibrillation by freezing and destroying abnormal heart tissues that create irregular heartbeats in a minimally invasive procedure.

We initiated the clinical trial for the AF Cryoablation System in October 2019. We submitted the registration application for our AF Cryoablation System to the NMPA in July 2022, and have received the NMPA approval for the AF Cryoablation System in December 2023. Further, we have passed the good manufacturing practice examination conducted by the Shanghai Medical Products Administration for the AF Cryoablation System in January 2024. We commercialized our AF Cryoablation System in China in September 2024.

##### 2. Cryo-RDN System

Our Cryofocus Renal Denervation System (Cryofocus 冷凍消融系統) (“**Cryo-RDN System**”) is a self-developed cryoablation system designed for the treatment of hypertension. Renal denervation is a minimally-invasive procedure intended to deliver energy to overactive nerves in the kidney, which is a cause of hypertension, so as to decrease their activity and treat hypertension. Our Cryo-RDN System delivers liquid nitrogen to the target area of the renal artery to perform circumferential ablation, which damages nerve tissues through the formation and rewarming of ice balls, thus achieving the treatment of hypertension.

We aim to make this product candidate the world’s first cryoablation product that specifically focuses on the treatment of hypertension. In December 2022, the Cryo-RDN System was granted designation as a “Breakthrough Device” by the FDA. We are currently conducting a confirmatory clinical trial of the Cryo-RDN System, and we expect to obtain approval from the NMPA in the second half of 2027.

##### 3. Pulmonary Hypertension Cryoablation System

Our Pulmonary Hypertension Cryoablation System (肺動脈高壓冷凍消融系統) (“**PH Cryoablation System**”) is a self-developed cryoablation system designed for treating pulmonary hypertension. It employs a balloon catheter to perform circumferential cryoablation on the sympathetic nerve of pulmonary artery, effectively isolating the sympathetic nerve signaling and thus treating pulmonary hypertension.

Our PH Cryoablation System is currently in the stage of pre-clinical study and we expect to obtain approval from the NMPA in the second half of 2029.

## NOTES Interventional Cryotherapy Products and Product Candidates

### Respiratory Intervention

1. COPD Cryospray System

Our COPD Cryospray System (慢阻肺冷凍噴霧治療系統) is a spray cryotherapy system developed by the Company, which is indicated to perform cryotherapy for patients suffering from COPD with chronic bronchitis. Our COPD Cryospray System ablates and deactivates the diseased airway mucosal epithelium by spraying liquid nitrogen under the bronchoscope to achieve therapeutic effect.

Our COPD Cryospray System entered into the confirmatory clinical trial phase in March 2023. We expect to submit the product registration submission to the NMPA in the second half of 2025 and to obtain approval from the NMPA in the second half of 2026.

2. Asthma Cryoablation System

Our Asthma Cryoablation System (哮喘冷凍消融系統) is a self-developed cryoablation system for treating moderate and severe asthma.

Our Asthma Cryoablation System consists of a cryotherapy equipment and an airway cryoablation catheter. During the procedure, the Asthma Cryoablation System destroys the vagus nerve in the lungs through cryoablation, reducing the release of over-activated acetylcholine that is a cause of asthma, and decreasing mucus secretion, thus achieving the effect of treating asthma.

Our Asthma Cryoablation System entered into the confirmatory clinical trial phase in March 2023. In July 2025, the Asthma Cryoablation System was granted designation as a “Breakthrough Device” by the FDA. We expect to submit the product registration submission to the NMPA in the second half of 2025 and to obtain approval from the NMPA in the second half of 2026.

3. Malignant Stenosis Cryoablation System

Our Malignant Stenosis Cryoablation System (惡性狹窄冷凍消融系統) is a self-developed cryoablation system indicated to ablate malignant airway tumor tissue and reduce the frequency of airway restenosis.

Our Malignant Stenosis Cryoablation System consists of a cryotherapy equipment and an airway cryoablation catheter. During the procedure, the Malignant Stenosis Cryoablation System ablates tumor cells in the lumen and luminal wall of the trachea with the ultra-low temperature generated by the cryoablation system, and then further destroys tumor cells through rewarming. The cryoablation balloon allows for more complete ablation of malignant tumors on a larger scale and delays restenosis time.

We initiated the clinical trial for the Malignant Stenosis Cryoablation System in April 2021. We submitted the registration application for our Malignant Stenosis Cryoablation System to the NMPA in May 2024, and have received the NMPA approval for the Malignant Stenosis Cryoablation System in March 2025. We commercialized our Malignant Stenosis Cryoablation System in China in May 2025.





4. Benign Stenosis Cryoablation System

Our Benign Stenosis Cryoablation System (良性狹窄冷凍消融系統) is a self-developed cryoablation system based on liquid nitrogen for ablating benign airway stenosis lesion. This product candidate can dilate and shape the airway stenosis with the balloon dilation and perform cryoablation treatment and reduce the frequency of airway restenosis.

Our Benign Stenosis Cryoablation System entered into the confirmatory clinical trial phase in January 2024. We expect to submit the product registration submission to the NMPA in the first half of 2027 and to obtain approval from the NMPA in the second half of 2027.

5. Peri-Pulmonary Nodule Cryoablation System

Our Peri-Pulmonary Nodule Cryoablation System (肺周結節冷凍消融系統) is a self-developed cryoablation system for treating peri-pulmonary nodules. Our Peri-Pulmonary Nodule Cryoablation System consists of a piece of cryotherapy equipment and an airway cryoablation catheter. During the procedure, the Peri-Pulmonary Nodule Cryoablation System delivers the cryoablation balloon to the target site via the bronchoscope, the ultra-low temperature from liquid nitrogen in the catheter leads to the rapid formation of ice spheres inside the tumor, which results in the formation of ice crystals inside and outside the tumor cells, thus destroying the tumor cells. The Peri-Pulmonary Nodule Cryoablation System utilizes a flexible catheter and trans-airway access treatment modality, which can greatly reduce the chance of pneumothorax, hemoptysis and other complications.

As of June 30, 2025, our Peri-Pulmonary Nodule Cryoablation System was in the feasibility clinical trial phase. We expect to submit the product registration submission to the NMPA in the second half of 2026, and to receive the NMPA approval for this product in the second half of 2027.

6. Cough Cryospray System

Our Cough Cryospray System (咳嗽冷凍噴霧治療系統) is a self-developed cryoablation system for treating chronic cough. It achieves therapeutic effect by ablating visible lesions in the airway.

As of June 30, 2025, our Cough Cryospray System was in the feasibility clinical trial phase. We expect to submit the product registration submission to the NMPA in the second half of 2027 and to obtain approval from the NMPA in the second half of 2028.

7. Tuberculosis Cryospray System

Our Tuberculosis Cryospray System (結核冷凍噴霧治療系統) is a spray cryotherapy system developed by the Company for treating tracheobronchial tuberculosis. It achieves therapeutic effect by ablating visible lesions in the airway.

As of June 30, 2025, our Tuberculosis Cryospray System was in the feasibility clinical trial phase. We expect to submit the product registration submission to the NMPA in the second half of 2025 and to obtain approval from the NMPA in the second half of 2026.

#### 8. Cryoadhesion System

Our Cryoadhesion System (冷凍粘連治療系統) is a cryoadhesion device used for biopsy, stenosis recanalization and foreign body retrieval. It employs subcritical refrigeration technology (亞臨界製冷技術) and heat transfer with controlled pressure technology (控壓傳熱技術) for rapid freezing and adhesion.

This product candidate consists of a disposable cryoprobe (一次性使用冷凍探頭) and an accompanying piece of cryotherapy equipment (冷凍治療設備). During the operation, the cryoprobe is connected to the cryotherapy equipment, and the distal end of the disposable cryoprobe is brought into contact with the target tissue or foreign body under endoscopic guidance for cryoadhesion to achieve tissue biopsy, stenosis recanalization and foreign body removal.

We received marketing approval for the Cryoadhesion System in January 2024, after securing the NMPA approval for the accompanying cryotherapy equipment in December 2023 and the disposable cryoprobe in January 2024. We commercialized our Cryoadhesion System in China in September 2024. We received the NMPA approval for the registration change of Disposable Cryoprobe of Cryoadhesion system in August 2025.

### **Cancer Intervention**

#### 1. Bladder Cryoablation System

Our Bladder Cryoablation System (膀胱冷凍消融系統) is a self-developed cryoablation system for the treatment of bladder tumors. This product employs liquid nitrogen to perform efficient cryoballoon ablation on target tissue, and similar to Bacillus Calmette-Guerin perfusion or chemotherapy, this product is indicated for use in conjunction with transurethral resection of bladder tumor surgeries to reduce tumor residuals for patients suffering from non-muscle-invasive bladder cancer.

We initiated the clinical trial for the Bladder Cryoablation System in November 2017, and received the NMPA approval for the Bladder Cryoablation System in June 2022. We commercialized our Bladder Cryoablation System in China in December 2022.

#### 2. Gastric Cryoablation System

Our Gastric Cryoablation System (胃部冷凍消融系統) is a self-developed cryoablation system indicated for performing cryoablation on gastric tumors to treat gastric cancer.

The Gastric Cryoablation System consists of a piece of cryotherapy equipment (冷凍治療設備) and a cryotherapy catheter (冷凍治療導管). During the procedure, the cryoablation equipment provides a stable delivery of liquid nitrogen and the catheter can pass through an electronic gastroscope into the stomach. The distal end of the catheter is connected to a pre-folded balloon, which can expand after passing through the electronic gastroscope to contact the target gastric mucosa, creating an ultra-low temperature at the balloon through the stable delivery of liquid nitrogen within the balloon to destroy target cells. When reaching the set freezing time, the system stops freezing process, and starts rewarming cycle which further destroys the target cells.

As of June 30, 2025, our Gastric Cryoablation System was in the feasibility clinical trial phase. We expect to submit the product registration submission to the NMPA in the second half of 2025 and to obtain approval from the NMPA in the second half of 2026.



3. Esophageal Cryospray System

Our Esophageal Cryospray System (食道冷凍噴霧治療系統) is used to perform endoscopic spray cryotherapy on patients with intermediate to advanced esophagus cancer to reduce the size of the tumor, alleviate the symptoms of dysphagia and improve their quality of life.

Patients with intermediate to advanced esophagus cancer may have trouble swallowing due to esophageal stricture as a result of tumor occupancy. Our Esophageal Cryospray System can spray liquid nitrogen directly on the surface of the tumor to destroy the tumor cells, thus reducing the volume of the tumor, alleviating the patient's dysphagia, and improving the quality of life.

As of June 30, 2025, our Esophageal Cryospray System was in the feasibility clinical trial phase. We expect to submit the product registration submission to the NMPA in the second half of 2025 and to obtain approval from the NMPA in the first half of 2027.

### Non-Cryotherapy Products and Product Candidates

1. **Pulmonary Nodule Localization Needle**

Our Pulmonary Nodule Localization Needle (肺結節定位針), also known as the Disposable Pulmonary Nodule Localization Needle, is a single-use localization needle indicated for CT-guided localization of lung nodules in patients with lung nodules prior to undergoing thoracoscopic surgery. Our Pulmonary Nodule Localization Needle adopts a combination of multi-hook localization and flexible wire, which greatly reduces the risk of dislocation after localization to ensure safe and effective resection of pulmonary nodules during surgery.

Our Pulmonary Nodule Localization Needle received the NMPA registration certificate in March 2019 and was subsequently commercialized in China in May 2019, and obtained CE Marking in January 2019. We successfully renewed the NMPA registration certificate in March 2024 and our Pulmonary Nodule Localization Needle is now classified as Class II medical device by the NMPA.

2. **Endoscopic Clip for Anastomosis**

Our Endoscopic Clip for Anastomosis (內鏡吻合夾) is a self-developed anastomotic device for closure (閉合治療) of soft tissue in digestive tract. It is indicated for the closure treatment of bleeding, perforation, and tissue defects in digestive tract, and in particular, is suitable for treating perforation in gastrointestinal endoscopic surgery and endoscopic full-thickness closure (全層內鏡閉合) after NOTES. Its addressable patients primarily include the patients with acute gastrointestinal bleeding, ulcerative or medically induced perforations, or those undergoing endoscopic tissue removal procedures. This product offers various benefits, such as its large clamping scope and strong clamping force, and it is detachable to facilitate the clip removal and avoid secondary damage to the tissue. This product is one of the over-the-scope clips approved for commercialization in China.

We initiated the clinical trial for the Endoscopic Clip for Anastomosis in June 2020, and received the approval for this product in August 2022. We commercialized this product in October 2022.

### 3. **Laparoscopic Single Port Multi-Channel Access Platform**

Our Laparoscopic Single Port Multi-Channel Access Platform (單孔多通道腹腔鏡手術入路系統), also known as the Disposable Multi-Channel Laparoscopic Access Platform, is a self-developed system used in laparoscopic surgery as a channel for the endoscope, instruments and hands during surgery. It is applicable for single incision laparoscopic surgery, NOTES, reduced-port laparoscopic surgery, or hand-assisted laparoscopic surgery.

Our Laparoscopic Single Port Multi-Channel Access Platform received the registration certificate in February 2017 and was subsequently commercialized in China in April 2017, and obtained CE Marking in January 2019.

### 4. **Atrial Fibrillation Pulsed Field Ablation System**

Our Atrial Fibrillation Pulsed Field Ablation System (房顫脈衝電場消融(PFA)系統) (“**AF PFA System**”) is indicated for use in the interventional treatment of paroxysmal atrial fibrillation. It destroys myocardial tissue with high voltage electrical impulses to achieve electrical isolation of the pulmonary vein vestibule, resulting in the therapeutic effect.

As of June 30, 2025, our AF PFA System was in the feasibility clinical trial phase and is expected to be approved by the NMPA in the first half of 2027.

### 5. **Anti-Gastroesophageal Reflux System**

Our self-developed Anti-Gastroesophageal Reflux System (抗胃食管反流系統) is a surgical device indicated for treating gastroesophageal reflux disease (“**GERD**”) in the magnetic sphincter augmentation procedure. The magnetic sphincter augmentation procedure is designed to treat GERD by increasing the tension of the lower esophageal sphincter to achieve anti-reflux effect.

As of June 30, 2025, we submitted the registration application for the Anti-Gastroesophageal Reflux System, and we expect to obtain approval from the NMPA for the product in the second half of 2025.

### 6. **Other Non-Cryoablation Products**

Our non-cryoablation products also include our Wound Retractor (開創保護器), Ureteral Dilation Balloon Catheter (輸尿管擴張球囊導管), Laparoscopic Biopsy Bag (腹腔鏡用活檢袋) (also known as Endoscopic Biopsy Bag), and Laparoscopic Surgical Instrument (腹腔鏡手術器械). They are all single-use medical consumables. All such non-cryoablation products have been commercialized.





**WE CANNOT GUARANTEE THE FUTURE PROSPECTS OF OUR PRODUCTS AND WE MAY NOT BE ABLE TO SUCCESSFULLY DEVELOP AND/OR MARKET OUR OTHER PRODUCT CANDIDATES.**

### Research and Development

We have established a dedicated product development team led by industry experts with extensive experience in the medical device industry or in the field of engineering research and development. As of June 30, 2025, our product development team consisted of an in-house research and development team of 33 employees and a clinical operation team of 16 employees (including certain management members undertaking product development functions). We have also developed relationships with industry leaders, including scientists, physicians and industry practitioners, giving us a thorough understanding of the clinical needs and demands of patients and physicians.

We have built a comprehensive intellectual property portfolio in China and overseas to protect our technologies, including our core liquid nitrogen cryoablation technology, flexible catheter technology and other key technologies. As of June 30, 2025, we owned 153 patents and 60 patent applications in China and overseas.

### Production

During the Reporting Period, we manufactured, assembled and tested our products at our production facilities located in two regions, Ningbo (Zhejiang Province) and Shanghai, with a total gross floor area of over 14,400 square meters. We produce commercial products, mainly including our Core Products (as defined under the Listing Rules) as well as other commercialized products, including our Malignant Stenosis Cryoablation System and Pulmonary Nodule Localization Needle, and also produce, assemble and test sample products related to NOTES at our production facility in Ningbo. We produce commercial products, including AF Cryoablation System, and also produce, assemble and test sample products related to vascular intervention for product development at our facility in Shanghai.

### Future and Outlook

Our mission is to become a global medical device platform in the field of minimally-invasive interventional cryotherapy, bringing benefits to patients and physicians worldwide with our cryotherapy technology. We plan to implement the following strategies to achieve our goal:

- Rapidly advance the clinical development and commercialization of our product candidates;
- Further expand our product portfolio leveraging technology platforms and continue to focus on minimally-invasive interventional cryotherapy;
- Continue to research and develop various underlying and supporting technologies; and
- Selectively expand our worldwide footprint.

## II. FINANCIAL REVIEW

### Revenue

Our revenue increased by RMB31.6 million, or 162.4%, from RMB19.5 million for the six months ended June 30, 2024 to RMB51.1 million for the six months ended June 30, 2025, mainly driven by the increase in the sales volume of our respiratory intervention products, such as Malignant Stenosis Cryoablation System which was approved by the NMPA in March 2025 and the Cryoadhesion System. Besides, the distribution sales of other respiratory intervention products of BSC increased accordingly.

### Cost of Sales

Our cost of sales increased from RMB4.2 million for the six months ended June 30, 2024 to RMB16.8 million for the six months ended June 30, 2025, which was generally in line with the increase in the sales of our commercialized products in 2025.

### Gross Profit and Gross Profit Margin

As a result of the foregoing, our overall gross profit increased from RMB15.3 million for the six months ended June 30, 2024 to RMB34.3 million for the six months ended June 30, 2025. Our overall gross profit margin decreased from 78.5% for the six months ended June 30, 2024 to 67.1% for the six months ended June 30, 2025, primarily affected by promotional activities for new products, such as Malignant Stenosis Cryoablation System, which are in the initial stage of commercialization. And also the distribution sales of other respiratory intervention products of the BSC increased, which had relatively low gross profit margin.

### Other Income and Gains

Our other income and gains decreased from RMB3.0 million for the six months ended June 30, 2024 to RMB0.5 million for the six months ended June 30, 2025, mainly due to the decrease in net foreign exchange differences and government grants.

### Research and Development Expenses

Our research and development expenses primarily consisted of (i) staff costs for our research and development personnel; (ii) cost of materials and consumables used; (iii) share-based payments; and (iv) clinical trial fees, including payment to hospitals, contract research organizations, site management organizations, and other service providers in connection with our research and development activities. The following table sets forth a breakdown of our research and development expenses for the periods indicated:

	Six months ended June 30,			
	2025 (Unaudited)		2024 (Unaudited)	
	RMB'000	%	RMB'000	%
Staff cost	11,350	63.4	20,039	53.8
Cost of materials and consumables used	2,333	13.0	9,364	25.2
Share-based payments	649	3.6	1,420	3.8
Clinical trial fees	1,901	10.6	3,208	8.6
Depreciation and amortization	573	3.2	483	1.3
Others <sup>(1)</sup>	1,101	6.2	2,708	7.3
Total	17,907	100.0	37,222	100.0

Note:

- (1) Primarily included intellectual property and CE certification expenses, business travel and transportation expenses incurred by our research and development staffs, animal experiment expenses and product design expenses.



Our research and development expenses decreased by RMB19.3 million, or 51.9%, from RMB37.2 million for the six months ended June 30, 2024 to RMB17.9 million for the six months ended June 30, 2025, primarily due to (i) the decreased in staff cost of RMB8.7 million as a result of the decrease of our research and development personnel during the Reporting Period; and (ii) following the certification of certain products, cost of materials and consumables used in ongoing research and development projects decreased by RMB7.0 million.

### **Administrative Expenses**

Our administrative expenses slightly increased by RMB0.5 million, or 1.7%, from RMB33.2 million for the six months ended June 30, 2024 to RMB33.7 million for the six months ended June 30, 2025, which remained relatively stable as the same period of last year.

### **Selling and Distribution Expenses**

Our selling and distribution expenses increased by RMB5.8 million, or 174.4%, from RMB3.3 million for the six months ended June 30, 2024 to RMB9.2 million for the six months ended June 30, 2025, primarily due to the increased sales and promotional activities and personnel with the commercialization of new products.

### **Finance Costs**

Our finance costs increased by RMB0.7 million, or 142.0%, from RMB0.4 million for the six months ended June 30, 2024 to RMB1.1 million for the six months ended June 30, 2025 primarily due to the increased bank borrowings interest.

### **Income Tax Expenses**

Our principal applicable taxes and tax rates are set forth as follows:

#### **Mainland China**

Pursuant to the Corporate Income Tax Law of the PRC (the “**CIT Law**”), the Company and our PRC subsidiaries are subject to a standard corporate income tax rate of 25% on taxable income, except that Ningbo SensCure was qualified as a “High and New Technology Enterprise” to enjoy a preferential income tax rate of 15% during the Reporting Period. The related tax authorities review the “High and New Technology Enterprise” status every three years. Ningbo SensCure has been qualified and will continue to qualify as a “High and New Technology Enterprise” for three years starting from 2024.

### United States

Among our subsidiaries, Cryofocus America, Inc. was incorporated in California, the U.S. and was subject to statutory U.S. federal corporate income tax at a rate of 21% during the Reporting Period. It is also subject to the state income tax in California during the Reporting Period. No provision for federal corporate income tax and the state income tax have been provided as the subsidiary has no estimated assessable profits.

Our Directors confirm that during the Reporting Period, we had made all the required tax filings and had paid all outstanding tax liabilities with the relevant tax authorities in the relevant jurisdictions and we are not aware of any outstanding or potential disputes with such tax authorities.

### Loss for the Reporting Period

As a result of the foregoing, our loss for the Reporting Period decreased from RMB56.0 million for the six months ended June 30, 2024 to RMB27.2 million for the six months ended June 30, 2025.

### Liquidity and Financial Resources

Our primary use of cash is to fund the development of our product candidates, clinical trials, payment for the purchase of plant and equipment, administrative expenses and other recurring expenses. Our cash and cash equivalents increased by RMB18.2 million, or 40.1%, from RMB45.5 million as of December 31, 2024 to RMB63.7 million as of June 30, 2025. The increase was mainly due to:

- For the six months ended June 30, 2025, our net cash used in operating activities was RMB6.9 million, primarily because we incurred research and development expenses and administrative expenses during the Reporting Period. Our operating cash flow will continue to be affected by our research and development expenses.
- For the six months ended June 30, 2025, our net cash used in investing activities was RMB0.1 million, primarily attributable to the purchase of property, plant and equipment items.
- For the six months ended June 30, 2025, our net cash from financing activities was RMB25.3 million, primarily attributable to the loans from related parties during the Reporting Period.

During the Reporting Period, we mainly relied on cash generated from our sales revenue of existing commercialized products as the main source of liquidity. Our management closely monitors the utilization of cash and cash balances and strives to maintain healthy liquidity for our business. Going forward, we believe that our liquidity requirements will be satisfied with cash generated from our operations and other financing activities.

As of June 30, 2025, we had total bank borrowings of RMB25.7 million denominated in RMB at a fixed annual interest rate of 3.45% to 3.50% (2024: 30.0 million). During the Reporting Period, the Group did not employ any financial instruments for hedging purposes nor make any foreign currency net investments.





### Capital Expenditures

We regularly incur capital expenditures to expand and enhance our research and development facilities, establish our manufacturing capacities and increase our operating efficiency. Our capital expenditures primarily consisted of expenditures on machinery, office equipment, as well as leasehold improvements during the Reporting Period. The following table sets forth our capital expenditures for the periods indicated:

	Six months ended June 30,	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Purchases of items of property, plant and equipment	48	1,425

We expect to incur capital expenditures in the next five years primarily for purchase of equipment and the construction of our manufacturing facilities. We may adjust our capital expenditures for any given period according to our development plans or in light of market conditions and other factors we believe to be appropriate.

### Indebtedness

The following table sets forth the components of our indebtedness as of the dates indicated:

	As of June 30, 2025 (Unaudited) RMB'000	As of December 31, 2024 (Audited) RMB'000
Lease liabilities		
Current	7,348	5,604
Non-current	5,047	7,720
<b>Total</b>	<b>12,395</b>	<b>13,324</b>

As of June 30, 2025, the Group had total bank borrowings of RMB25.7 million denominated in RMB at fixed annual interest rate. The Group had no unutilized banking facilities during the Reporting Period.

### Key Financial Ratios

The following table sets forth the key financial ratios as of the dates indicated:

	As of June 30, 2025 (Unaudited)	As of December 31, 2024 (Audited)
Current ratio <sup>(1)</sup>	1.8	1.6
Quick ratio <sup>(2)</sup>	1.4	1.1
Gearing ratio <sup>(3)</sup>	62.9%	47.1%

Notes:

- (1) Current ratio is calculated based on total current assets divided by total current liabilities.
- (2) Quick ratio is calculated based on total current assets less inventories divided by total current liabilities.
- (3) Gearing ratio is calculated based on total liabilities divided by total assets and multiplied by 100%.

### Capital Commitments

The Group had the following capital commitments as of the dates indicated:

	As of June 30, 2025 (Unaudited) RMB'000	As of December 31, 2024 (Audited) RMB'000
Contracted, but not provided for: Plant and machinery	296	545

### Pledge of Assets

As of June 30, 2025, there was no charge on assets of the Group.

### Contingent Liabilities

As of June 30, 2025, the Group did not have any material contingent liabilities, guarantees or any litigation or claims of material importance, pending or threatened against any of its member.

### Significant Investments, Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures during the Reporting Period

As of June 30, 2025, the Group did not hold any significant investments. The Group did not make any material investments, material acquisitions or disposals of subsidiaries, associates and joint ventures during the Reporting Period.



### Foreign Exchange Exposure

We are exposed to foreign currency risk mainly arising from cash and cash equivalents which are denominated in Renminbi, USD and HKD. We currently do not have a foreign currency hedging policy. However, our management monitors foreign exchange exposure and will consider appropriate hedging measures in the future should the need arise.

### Future Plans for Material Investments or Capital Assets

The Group had not authorized any plan for any material investments or acquisitions of capital assets as of June 30, 2025.

### Human Resources

As of June 30, 2025, the Group had 180 full-time employees, and substantially all of them were based in China. The total employee benefits expenses of our Group, which consisted of (i) terms, wages, salaries and bonuses, (ii) social security costs, and (iii) equity-settled share options, were approximately RMB42.3 million for the six months ended June 30, 2025. We recruit our employees after consideration of a number of factors, including our needs and expansion plans, and the candidates' work experience and educational background. We invest in continuing training programs for our management staff and other employees to upgrade their skills and knowledge continuously. We provide our employees with regular feedback as well as internal and external training in various areas, such as product knowledge, project development and team building. We also assess our employees based on their performance to determine their salary, promotion and career development. In compliance with the relevant PRC labor laws, we enter into individual employment contracts with our employees covering matters including terms, wages, bonuses, employee benefits, and grounds for termination. In addition, we are required under PRC law to make contributions to social security insurance funds (including pension plans, medical insurance, work-related injury insurance, unemployment insurance and maternity insurances) and housing funds at a certain percentage of our employees' salaries, including bonus and allowances, up to a maximum amount specified by the local government.

## Other Information

### INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the Reporting Period (six months ended June 30, 2024: Nil).

### CORPORATE GOVERNANCE

The Directors recognize the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability.

The Company has adopted the principles and code provisions set out in the CG Code as its own code to govern its corporate governance practices.

The Company regularly reviews its compliance with the CG Code and the Company was in compliance with all applicable code provisions set out in Part 2 of the CG Code throughout the Reporting Period.

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

### COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

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

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





## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including treasury shares, if any) during the Reporting Period. As of June 30, 2025, there was no treasury share held by the Company.

## REVIEW OF INTERIM RESULTS

The Audit Committee consists of one non-executive Director, namely, Mr. ZHAO Chunsheng (趙春生), and two independent non-executive Directors, namely, Mr. LIANG Hsien Tse Joseph (梁顯治) and Dr. QIN Zheng (覃正). The chairperson of the Audit Committee is Mr. LIANG Hsien Tse Joseph, who holds the appropriate professional qualifications as required under Rules 3.10(2) of the Listing Rules.

The Audit Committee has reviewed and considered that the interim financial results for the six months ended June 30, 2025 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made. There is no disagreement by the Audit Committee with respect to the accounting treatment adopted by the Company.

## CHANGES IN THE BOARD AND THE DIRECTORS' AND SUPERVISORS' INFORMATION

### Change of Directors' Information

On February 19, 2025, Mr. LIANG Hsien Tse Joseph (梁顯治), an independent non-executive Director, has retired as an independent non-executive director of North Asia Strategic Holdings Limited (北亞策略控股有限公司), a company listed on the GEM of the Stock Exchange (stock code: 8080) and principally engaged in investments in high-tech product related businesses.

Save as disclosed above, there was no change in the Board and the Board of Supervisors, and the information of Directors and Supervisors since the beginning of the Reporting Period which is 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.

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

As of June 30, 2025, the interests and short positions of the Directors, Supervisors or chief executive of the Company in any of the Shares, underlying Shares and debentures of the Company or its associated corporation (within the meaning of Part XV of the SFO), which have been notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of SFO (including any interest or short positions which they are taken or deemed to have under such provisions of the SFO) or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Name of Director/Supervisor/ Chief Executive	Capacity/nature of interest	Class of Shares	Number of Shares	Approximate percentage of shareholding in the total issued share capital of our Company <sup>(1)</sup>	Approximate percentage of shareholding in the relevant proportion of Shares <sup>(2)</sup>
Mr. ZHU Jun (朱軍) ("Mr. Zhu") <sup>(3)</sup>	Beneficial owner; interest in a controlled corporation	Unlisted Shares	9,721,236	4.07%	10.16%
		H Shares	4,166,244	1.74%	2.90%
Mr. Lv	Beneficial owner; interest in a controlled corporation; interest held jointly with another person	Unlisted Shares	80,434,090	33.64%	84.07%
		H Shares	52,610,766	22.00%	36.68%

### Notes:

- (1) The calculation is based on the total number of 239,110,000 Shares in issue as of June 30, 2025.
- (2) The calculation is based on the total number of 95,671,421 Unlisted Shares and 143,438,579 H Shares in issue as of June 30, 2025.
- (3) As of June 30, 2025, Mr. Zhu, our executive Director, beneficially owned 1,030,697 Unlisted Shares and 441,727 H Shares of our Company. As of June 30, 2025, Mr. Zhu owned approximately 38.77% in Ningbo Hongyingkang as one of its limited partners. As such, under the SFO, Mr. Zhu is deemed to be interested in the 8,690,539 Unlisted Shares and 3,724,517 H Shares held by Ningbo Hongyingkang.
- (4) As of June 30, 2025, Mr. Lv beneficially owned 4,373,998 Unlisted Shares and 17,495,990 H Shares of our Company. As of June 30, 2025, Mr. Lv owned approximately 37.22% in Ningbo Maishang as one of its limited partners. As such, under the SFO, Mr. Lv is deemed to be interested in the 8,972,712 Unlisted Shares and 3,845,448 H Shares held by Ningbo Maishang. Further, pursuant to a concert party agreement dated April 26, 2021 entered into by Ms. Li and Mr. Lv, Ms. Li and Mr. Lv confirmed that they have been acting in concert in exercising Shareholders' rights pertaining to our Group (including our Company and Ningbo SensCure) since January 1, 2014, and they have agreed to continue to act in concert and reach consensus on proposals related to the daily management and operation of our Group presented to general meetings of the Shareholders for voting. As of June 30, 2025, Ms. Li beneficially owned 97,600 H Shares of our Company. Further, as of June 30, 2025, Ningbo Linfeng was owned as to 65% by Shanghai Shidi which was in turn wholly owned by Ms. Li. Further, as of June 30, 2025, Ms. Li controlled the executive partner of each of Ningbo Maishang, Ningbo Hongyingkang and Ningbo Kangrui, namely, Shanghai Shidi Biotechnology Co., Ltd. (上海仕地生物科技有限公司) ("Shidi Biotechnology"). Shidi Biotechnology is entitled to exercise the voting power held by each of Ningbo Maishang, Ningbo Hongyingkang and Ningbo Kangrui in our Company pursuant to their respective partnership agreements. As of June 30, 2025, Tongshang Linfeng Equity Investment Partnership (Limited Partnership) (寧波通商麟澧股權投資合夥企業(有限合夥)) ("Tongshang Linfeng") was owned as to approximately 49.02% by Ningbo Linfeng as a limited partner. As such, under the SFO, Ms. Li is also deemed to be interested in the 76,060,092 Unlisted Shares and 35,017,176 H Shares held by Shanghai Shidi, Ningbo Linfeng, Ningbo Maishang, Ningbo Hongyingkang, Ningbo Kangrui and Tongshang Linfeng.

Save as disclosed above, as of June 30, 2025, so far as it was known to the Directors, Supervisors or chief executive of the Company, none of the Directors, Supervisors or chief executive of the Company had interests or short positions in the Shares, underlying Shares and debentures of the Company or its associated corporations as recorded in the register required to be kept, pursuant to Section 352 of the SFO; or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As of June 30, 2025, so far as the Directors are aware, the following persons had or were deemed or taken to have interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provision of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

### Long Positions in the Shares of Our Company

Name of shareholder	Capacity/nature of interest	Class of Shares	Number of Shares	Approximate percentage of shareholding in the total issued share capital of our Company <sup>(1)</sup>	Approximate percentage of shareholding in the relevant proportion of Shares <sup>(2)</sup>
Ms. LI Hui (李輝) ("Ms. Li") <sup>(3)</sup>	Beneficial owner; interest in controlled corporations; interest held jointly with another person; interest of spouse	Unlisted Shares	80,434,090	33.64%	84.07%
		H Shares	60,483,766	25.30%	42.17%
Mr. WU Jianhui (鄔建輝) <sup>(3)</sup>	Beneficial owner; interest of spouse	H Shares	60,483,766	25.30%	42.17%
Mr. LV Shiwen (呂世文) ("Mr. Lv") <sup>(3)</sup>	Beneficial owner; interest in a controlled corporation; interest held jointly with another person	Unlisted Shares	80,434,090	33.64%	84.07%
		H Shares	52,610,766	22.00%	36.68%
Ningbo Linfeng Biotechnology Co., Ltd. (寧波麟豐生物科技有限公司) ("Ningbo Linfeng") <sup>(4)</sup>	Beneficial owner; interest in controlled corporations	Unlisted Shares	66,058,120	27.63%	69.05%
		H Shares	30,730,616	12.85%	21.42%
Shanghai Shidi Industrial Development Co., Ltd. (上海仕地實業發展有限公司) ("Shanghai Shidi") <sup>(4)(5)</sup>	Beneficial owner; interest in controlled corporations	Unlisted Shares	76,060,092	31.81%	79.50%
		H Shares	35,017,176	14.64%	24.41%
Shanghai Shidi Biotechnology Co., Ltd. (上海仕地生物科技有限公司) ("Shidi Biotechnology") <sup>(4)</sup>	Interest in controlled corporations	Unlisted Shares	21,519,825	9.00%	22.49%
		H Shares	9,222,783	3.86%	6.43%
Mr. ZHU Jun (朱軍) ("Mr. Zhu") <sup>(6)</sup>	Beneficial owner; interest in a controlled corporation	Unlisted Shares	9,721,236	4.07%	10.16%
		H Shares	4,166,244	1.74%	2.90%
Ningbo Maishang Investment L. P. (Limited Partnership) (寧波脈尚投資合夥企業(有限合夥)) ("Ningbo Maishang")	Beneficial owner	Unlisted Shares	8,972,712	3.75%	9.38%
		H Shares	3,845,448	1.61%	2.68%

Name of shareholder	Capacity/nature of interest	Class of Shares	Number of Shares	Approximate percentage of shareholding in the total issued share capital of our Company <sup>(1)</sup>	Approximate percentage of shareholding in the relevant proportion of Shares <sup>(2)</sup>
Ningbo Hongyingkang Enterprise Management Partnership (Limited Partnership) (寧波弘盈康企業管理合夥企業(有限合夥)) (“Ningbo Hongyingkang”)	Beneficial owner	Unlisted Shares H Shares	8,690,539 3,724,517	3.63% 1.56%	9.08% 2.60%
Zhuhai Junheng Investment L. P. (Limited Partnership) (珠海鈞恒投資合夥企業(有限合夥)) (“Junheng”) <sup>(7)</sup>	Beneficial owner	Unlisted Shares H Shares	9,669,480 9,647,080	4.04% 4.03%	10.11% 6.73%
Shenzhen Gao Ling Tiancheng III Investment Co., Ltd. (深圳高領天成三期投資有限公司) <sup>(7)</sup>	Interest in controlled corporations	Unlisted Shares H Shares	9,669,480 9,647,080	4.04% 4.03%	10.11% 6.73%
Ms. ZHANG Haiyan (張海燕) <sup>(7)</sup>	Interest in controlled corporations	Unlisted Shares H Shares	13,537,272 5,801,688	5.66% 2.43%	14.15% 4.04%
Shenzhen Gao Ling Muqi Equity Investment Fund L. P. (Limited Partnership) (深圳高領慕祺股權投資基金合夥企業(有限合夥)) <sup>(7)</sup>	Interest in controlled corporations	Unlisted Shares H Shares	13,537,272 5,801,688	5.66% 2.43%	14.15% 4.04%
Xiamen Gao Ling Ruiqi Equity Investment Fund L. P. (Limited Partnership) (廈門高領瑞祺股權投資基金合夥企業(有限合夥)) <sup>(7)</sup>	Interest in controlled corporations	Unlisted Shares H Shares	13,537,272 5,801,688	5.66% 2.43%	14.15% 4.04%
Suzhou Industrial Park New Phase 2 Venture Capital Enterprise (Limited Partnership) (蘇州工業園區新建元二期創業投資企業(有限合夥)) (“Suzhou New Phase 2 VC”) <sup>(8)</sup>	Beneficial owner	H Shares	12,283,500	5.14%	8.56%
Suzhou YuanBio Private Equity Fund Management Partnership Enterprise (Limited Partnership) (蘇州元生私募基金管理合夥企業(有限合夥)) <sup>(8)</sup>	Interest in controlled corporations	H Shares	12,283,500	5.14%	8.56%
Suzhou Industrial Park Zhinuo Business Information Consulting Co., Ltd. (蘇州工業園區智諾商務信息諮詢有限公司) <sup>(8)</sup>	Interest in controlled corporations	H Shares	12,283,500	5.14%	8.56%



## Other Information

Name of shareholder	Capacity/nature of interest	Class of Shares	Number of Shares	Approximate percentage of shareholding in the total issued share capital of our Company <sup>(1)</sup>	Approximate percentage of shareholding in the relevant proportion of Shares <sup>(2)</sup>
Mr. CHEN Jie (陳杰) <sup>(8)</sup>	Interest in controlled corporations	H Shares	12,283,500	5.14%	8.56%
Hangzhou Proxima Venture Investment L. P. (Limited Partnership) (杭州比鄰星創業投資合夥企業(有限合夥)) ("Hangzhou Proxima") <sup>(9)</sup>	Beneficial owner	H Shares	8,047,944	3.37%	5.61%
Mr. SUN Xiaolu (孫曉路) <sup>(9)</sup>	Interest in controlled corporations	Unlisted Shares H Shares	3,782,406 11,830,350	1.58% 4.95%	3.95% 8.25%
Hangzhou Proxima Innovative Investment Management L. P. (Limited Partnership) (杭州比鄰星創新投資管理合夥企業(有限合夥)) <sup>(9)</sup>	Interest in controlled corporations	Unlisted Shares H Shares	3,782,406 11,830,350	1.58% 4.95%	3.95% 8.25%
Shanghai Proxima Asset Management Co., Ltd. (上海比鄰星資產管理有限公司) <sup>(9)</sup>	Interest in controlled corporations	Unlisted Shares H Shares	3,782,406 11,830,350	1.58% 4.95%	3.95% 8.25%
FutureX Investment I Company Limited <sup>(10)</sup>	Beneficial owner	H Shares	7,963,128	3.33%	5.55%
FutureX Capital Limited <sup>(10)</sup>	Interest in controlled corporations	H Shares	7,963,128	3.33%	5.55%
FutureX Fund Management (Hong Kong) Limited <sup>(10)</sup>	Investment manager	H Shares	7,963,128	3.33%	5.55%
FutureX ICT Opportunity Fund II LP <sup>(10)</sup>	Interest in controlled Corporations	H Shares	7,963,128	3.33%	5.55%
FutureX Innovation II Limited <sup>(10)</sup>	Interest in controlled corporations	H Shares	7,963,128	3.33%	5.55%
Ms. ZHANG Qian (張倩) <sup>(10)</sup>	Interest in controlled corporations	H Shares	7,963,128	3.33%	5.55%
Shengshan Asset Management (Shanghai) Co., Ltd. (盛山資產管理(上海)有限公司) <sup>(11)</sup>	Interest in controlled corporations	H Shares	6,072,552	2.54%	4.23%
Mr. GAN Shixiong (甘世雄) <sup>(11)</sup>	Interest in controlled corporations	H Shares	6,072,552	2.54%	4.23%

*Notes:*

- (1) The calculation is based on the total number of 239,110,000 Shares in issue as of June 30, 2025.
- (2) The calculation is based on the total number of 95,671,421 Unlisted Shares and 143,438,579 H Shares in issue as of June 30, 2025.
- (3) Pursuant to a concert party agreement dated April 26, 2021 entered into by Ms. Li and Mr. Lv, Ms. Li and Mr. Lv confirmed that they have been acting in concert in exercising Shareholders' rights pertaining to our Group (including our Company and Ningbo SensCure) since January 1, 2014, and they have agreed to continue to act in concert and reach consensus on proposals related to the daily management and operation of our Group presented to general meetings of the Shareholders for voting. As of June 30, 2025, Mr. Lv beneficially owned 4,373,998 Unlisted Shares and 17,495,990 H Shares of our Company. As of June 30, 2025, Mr. Lv owned approximately 37.22% in Ningbo Maishang as one of its limited partners. As such, under the SFO, Mr. Lv is deemed to be interested in the 8,972,712 Unlisted Shares and 3,845,448 H Shares held by Ningbo Maishang. As of June 30, 2025, Ms. Li beneficially owned 97,600 H Shares of our Company. Further, as of June 30, 2025, Ningbo Linfeng was owned as to 65% by Shanghai Shidi which was in turn wholly owned by Ms. Li. Further, as of June 30, 2025, Ms. Li controlled the executive partner of each of Ningbo Maishang, Ningbo Hongyingkang and Ningbo Kangrui Investment Management Partnership (Limited Partnership) (寧波康銳投資管理合夥企業(有限合夥)) ("Ningbo Kangrui"), namely, Shidi Biotechnology. Shidi Biotechnology is entitled to exercise the voting power held by each of Ningbo Maishang, Ningbo Hongyingkang and Ningbo Kangrui in our Company pursuant to their respective partnership agreements. As of June 30, 2025, Tongshang Linfeng Equity Investment Partnership (Limited Partnership) (寧波通商麟豐股權投資合夥企業(有限合夥)) ("Tongshang Linfeng") was owned as to approximately 49.02% by Ningbo Linfeng as a limited partner. As of June 30, 2025, Mr. WU Jianhui (鄭建輝), the spouse of Ms. Li, owned 7,873,000 H Shares of our Company. As such, under the SFO, Ms. Li is deemed to be interested in the 76,060,092 Unlisted Shares and 42,890,176 H Shares held by Shanghai Shidi, Ningbo Linfeng, Ningbo Maishang, Ningbo Hongyingkang, Ningbo Kangrui, Tongshang Linfeng and Mr. WU Jianhui (鄭建輝).
- (4) As of June 30, 2025, Ningbo Linfeng beneficially owned 44,538,295 Unlisted Shares and 19,087,841 H Shares of our Company. As of June 30, 2025, the executive partner of each of Ningbo Maishang, Ningbo Hongyingkang and Ningbo Kangrui, namely, Shidi Biotechnology, is wholly owned by Ningbo Linfeng. Shidi Biotechnology is entitled to exercise the voting power held by each of Ningbo Maishang, Ningbo Hongyingkang and Ningbo Kangrui in our Company pursuant to their respective partnership agreements. As such, under the SFO, Shidi Biotechnology and Ningbo Linfeng are deemed to be interested in the 21,519,825 Unlisted Shares and 9,222,783 H Shares held by Ningbo Maishang, Ningbo Hongyingkang and Ningbo Kangrui. Further, as of June 30, 2025, Tongshang Linfeng was owned as to approximately 49.02% by Ningbo Linfeng as a limited partner. As such, under the SFO, Ningbo Linfeng is also deemed to be interested in the 2,419,992 H Shares held by Tongshang Linfeng.
- (5) As of June 30, 2025, Shanghai Shidi beneficially owned 10,001,972 Unlisted Shares and 4,286,560 H Shares of our Company. As of June 30, 2025, Ningbo Linfeng was owned as to 65% by Shanghai Shidi. As such, under the SFO, Shanghai Shidi is deemed to be interested in the 66,058,120 Unlisted Shares and 30,730,616 H Shares held by Ningbo Linfeng, Ningbo Maishang, Ningbo Hongyingkang, Ningbo Kangrui and Tongshang Linfeng.
- (6) As of June 30, 2025, Mr. Zhu, our executive Director, beneficially owned 1,030,697 Unlisted Shares and 441,727 H Shares of our Company. As of June 30, 2025, Mr. Zhu owned approximately 38.77% in Ningbo Hongyingkang as one of its limited partners. As such, under the SFO, Mr. Zhu is deemed to be interested in the 8,690,539 Unlisted Shares and 3,724,517 H Shares held by Ningbo Hongyingkang.
- (7) Junheng is a limited partnership established in the PRC, whose general manager is Shenzhen Gao Ling Tiancheng III Investment Co., Ltd. (深圳高領天成三期投資有限公司), which is owned as to 55% by Ms. ZHANG Haiyan (張海燕). Further, Junheng is owned as to approximately 50.11% and 36.42% by its limited partners, Shenzhen Gao Ling Muqi Equity Investment Fund L.P. (Limited Partnership) (深圳高領慕祺股權投資基金合夥企業(有限合夥)) and Xiamen Gao Ling Ruiqi Equity Investment Fund L.P. (Limited Partnership) (廈門高領瑞祺股權投資基金合夥企業(有限合夥)), respectively. As such, under the SFO, Shenzhen Gao Ling Tiancheng III Investment Co., Ltd. (深圳高領天成三期投資有限公司), Ms. ZHANG Haiyan (張海燕), Shenzhen Gao Ling Muqi Equity Investment Fund L.P. (Limited Partnership) (深圳高領慕祺股權投資基金合夥企業(有限合夥)) and Xiamen Gao Ling Ruiqi Equity Investment Fund L.P. (Limited Partnership) (廈門高領瑞祺股權投資基金合夥企業(有限合夥)) are deemed to be interested in the 9,669,480 Unlisted Shares and 9,647,080 H Shares held by Junheng.
- (8) Suzhou New Phase 2 VC is a limited partnership established in the PRC, which is managed by its general partner, Suzhou YuanBio Private Equity Fund Management Partnership Enterprise (Limited Partnership) (蘇州元生私募基金管理合夥企業(有限合夥)), whose general partner is Suzhou Industrial Park Zhinuo Business Information Consulting Co., Ltd. (蘇州工業園區智諾商務信息諮詢有限公司), which is owned as to 99% by Mr. CHEN Jie (陳杰). As such, under the SFO, Suzhou YuanBio Private Equity Fund Management Partnership Enterprise (Limited Partnership) (蘇州元生私募基金管理合夥企業(有限合夥)), Suzhou Industrial Park Zhinuo Business Information Consulting Co., Ltd. (蘇州工業園區智諾商務信息諮詢有限公司) and Mr. CHEN Jie (陳杰) are deemed to be interested in the 12,283,500 H Shares held by Suzhou New Phase 2 VC.
- (9) Each of Hangzhou Proxima and Suzhou Proxima Venture Investment L.P. (Limited Partnership) (蘇州比鄰星創業投資合夥企業(有限合夥)) ("Suzhou Proxima") is a limited partnership established in the PRC and is managed by its general partner, Hangzhou Proxima Innovative Investment Management L.P. (Limited Partnership) (杭州比鄰星創新投資管理合夥企業(有限合夥)), whose general partner is Shanghai Proxima Asset Management Co., Ltd. (上海比鄰星資產管理有限公司), which is owned as to 90% by Mr. SUN Xiaolu (孫曉路), our former non-executive Director. As such, under the SFO, Hangzhou Proxima Innovative Investment Management L.P. (Limited Partnership) (杭州比鄰星創新投資管理合夥企業(有限合夥)), Shanghai Proxima Asset Management Co., Ltd. (上海比鄰星資產管理有限公司) and Mr. SUN Xiaolu (孫曉路) are deemed to be interested in 3,782,406 Unlisted Shares and 11,830,350 H Shares held by Hangzhou Proxima and Suzhou Proxima.

## Other Information

- (10) FutureX Investment I Company Limited is a limited company incorporated in Hong Kong and is wholly owned by FutureX ICT Opportunity Fund II LP, whose general partner is FutureX Innovation II Limited, which is in turn indirectly wholly owned by Ms. ZHANG Qian (張倩). FutureX Fund Management (Hong Kong) Limited is the Investment Manager of FutureX ICT Opportunity Fund II LP. FutureX Fund Management (Hong Kong) Limited is a limited company incorporated in Hong Kong and is wholly owned by FutureX Capital Limited, which is in turn indirectly wholly owned by Ms. ZHANG Qian (張倩). As such, under the SFO, FutureX ICT Opportunity Fund II LP, FutureX Innovation II Limited, FutureX Fund Management (Hong Kong) Limited, FutureX Capital Limited and Ms. ZHANG Qian (張倩) are deemed to be interested in the 7,963,128 H Shares held by FutureX Investment I Company Limited.
- (11) Shanghai Shengshan Xingqian Venture Capital Center (Limited Partnership) (上海盛山興錢創業投資中心(有限合夥)) (“**Shengshan Xingqian**”) is a limited partnership established in the PRC and is managed by its general partner, Shengshan Asset Management (Shanghai) Co., Ltd. (盛山資產管理(上海)有限公司) (“**Shengshan Asset Management**”). Suzhou Shengshan Huiying Venture Capital Enterprise (Limited Partnership) (蘇州盛山惠贏創業投資企業(有限合夥)) (“**Shengshan Huiying**”) is a limited partnership established in the PRC and is managed by its general partner, Suzhou Shengshan Chuanghe Venture Capital Center (Limited Partnership) (蘇州盛山創禾創業投資中心(有限合夥)) whose general partner is Shengshan Asset Management. Shengshan Asset Management is owned as to 51% by Mr. GAN Shixiong (甘世雄). As such, under the SFO, Shengshan Asset Management and Mr. GAN Shixiong (甘世雄) are deemed to be interested in the 6,072,552 H Shares held by Shengshan Xingqian and Shengshan Huiying.

Save as disclosed above, as of June 30, 2025, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company, other than the Directors and chief executive of the Company, which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

## AMENDMENTS TO THE THEN EXISTING ARTICLES OF ASSOCIATION

On March 31, 2025, the Board announced that it has resolved and proposed to amend the then existing Articles of Association to make slight adjustments to certain provisions therein after taking into consideration, among others, the operation and management needs of the Company, and to make certain housekeeping amendments to the then Articles of Association (the “**Proposed Amendments**”). Pursuant to the then existing Articles of Association and the applicable laws and regulations in the PRC, the Proposed Amendments were subject to the approval of the Shareholders by way of a special resolution at a general meeting.

The Proposed Amendments were duly approved by the Shareholders at the 2024 annual general meeting of the Company held on June 20, 2025. For further details, please refer to the Company’s announcements dated March 31, 2025 and June 20, 2025, and the Company’s circular dated April 29, 2025.

## EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this section, the Group did not have any other material subsequent events after the Reporting Period and up to the publication date of this interim report.

By Order of the Board  
**Cryofocus Medtech (Shanghai) Co., Ltd.**  
**Mr. LI Kejian**  
*Chairman of the Board*

Hong Kong, August 8, 2025

# Interim Condensed Consolidated Statement of Profit or Loss

For the six months ended June 30, 2025

	Notes	2025 Unaudited RMB'000	2024 Unaudited RMB'000
<b>REVENUE</b>	4	<b>51,106</b>	19,475
Cost of sales		(16,794)	(4,194)
<b>Gross profit</b>		<b>34,312</b>	15,281
Other income and gains	4	487	2,955
Research and development expenses		(17,907)	(37,222)
Selling and distribution expenses		(9,158)	(3,338)
Administrative expenses		(33,747)	(33,193)
Other expenses		(147)	–
Finance costs	6	(1,055)	(436)
<b>LOSS BEFORE TAX</b>	5	<b>(27,215)</b>	(55,953)
Income tax expenses	7	(6)	–
<b>LOSS FOR THE PERIOD</b>		<b>(27,221)</b>	(55,953)
Attributable to:			
Owners of the parent		(23,817)	(52,171)
Non-controlling interests		(3,404)	(3,782)
		(27,221)	(55,953)
<b>LOSS per share ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>			
Basic and diluted			
For loss for the period	9	<b>RMB(0.10)</b>	RMB(0.22)

# Interim Condensed Consolidated Statement of Comprehensive Income

For the six months ended June 30, 2025

	2025 Unaudited RMB'000	2024 Unaudited RMB'000
<b>LOSS FOR THE PERIOD</b>	<b>(27,221)</b>	<b>(55,953)</b>
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	(87)	(23)
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>	<b>(87)</b>	<b>(23)</b>
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>	<b>(27,308)</b>	<b>(55,976)</b>
Attributable to:		
Owners of the parent	(23,904)	(52,194)
Non-controlling interests	(3,404)	(3,782)
	<b>(27,308)</b>	<b>(55,976)</b>



# Interim Condensed Consolidated Statement of Financial Position

June 30, 2025

	Notes	June 30, 2025 Unaudited RMB'000	December 31, 2024 Audited RMB'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		27,632	30,436
Right-of-use assets		6,141	8,184
Other intangible assets		–	3
Other non-current assets		12,970	12,465
Total non-current assets		46,743	51,088
<b>CURRENT ASSETS</b>			
Inventories		27,574	29,872
Trade receivables	10	–	–
Prepayments, other receivables and other assets		21,801	22,828
Restricted cash		–	1
Cash and cash equivalents		63,675	45,458
Total current assets		113,050	98,159
<b>CURRENT LIABILITIES</b>			
Trade payables	11	1,140	1,205
Interest-bearing bank borrowings		25,740	30,000
Other payables and accruals		26,122	21,841
Lease liabilities		7,348	5,604
Contract liabilities		844	1,165
Total current liabilities		61,194	59,815
<b>NET CURRENT ASSETS</b>		51,856	38,344
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		98,599	89,432
<b>NON-CURRENT LIABILITIES</b>			
Due to related parties		31,244	–
Lease liabilities		5,047	7,720
Deferred income		3,101	2,781
Total non-current liabilities		39,392	10,501
<b>NET ASSETS</b>		59,207	78,931
<b>EQUITY</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital		239,110	239,110
Reserves		(181,582)	(165,262)
		57,528	73,848
Non-controlling interests		1,679	5,083
<b>Total equity</b>		59,207	78,931

# Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended June 30, 2025

	Attributable to owners of the parent						Non-controlling interests RMB'000	Total equity RMB'000
	Share capital RMB'000	Share premium* RMB'000	Exchange fluctuation reserve* RMB'000	Share option reserve* RMB'000	Accumulated loss* RMB'000	Total RMB'000		
<b>As at January 1, 2025 (audited)</b>	239,110	299,768	127	270,170	(735,327)	73,848	5,083	78,931
Loss for the period	-	-	-	-	(23,817)	(23,817)	(3,404)	(27,221)
Exchange differences related to foreign operations	-	-	(87)	-	-	(87)	-	(87)
Total comprehensive loss for the period	-	-	(87)	-	(23,817)	(23,904)	(3,404)	(27,308)
Equity-settled share option expense	-	-	-	7,584	-	7,584	-	7,584
<b>As at June 30, 2025 (unaudited)</b>	239,110	299,768	40	277,754	(759,144)	57,528	1,679	59,207

	Attributable to owners of the parent						Non-controlling interests RMB'000	Total equity RMB'000
	Share capital RMB'000	Share premium* RMB'000	Exchange fluctuation reserve* RMB'000	Share option reserve* RMB'000	Accumulated loss* RMB'000	Total RMB'000		
<b>As at January 1, 2024 (audited)</b>	239,110	299,768	(89)	253,638	(630,962)	161,465	11,995	173,460
Loss for the period	-	-	-	-	(52,171)	(52,171)	(3,782)	(55,953)
Exchange differences related to foreign operations	-	-	(23)	-	-	(23)	-	(23)
Total comprehensive loss for the period	-	-	(23)	-	(52,171)	(52,194)	(3,782)	(55,976)
Equity-settled share option expense	-	-	-	8,544	-	8,544	-	8,544
<b>As at June 30, 2024 (unaudited)</b>	239,110	299,768	(112)	262,182	(683,133)	117,815	8,213	126,028

\* These reserve accounts comprise the consolidated reserves of negative RMB181,582,000 (2024: negative RMB121,295,000) in the condensed consolidated statement of financial position.

# Interim Condensed Consolidated Statement of Cash Flows

For the six months ended June 30, 2025

	Notes	2025 Unaudited RMB'000	2024 Unaudited RMB'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss before tax	5	(27,215)	(55,953)
Adjustments for:			
Finance costs	6	1,055	436
Depreciation of property, plant and equipment		2,975	3,323
Amortisation of other intangible assets		3	10
Depreciation of right-of-use assets		1,779	2,795
Foreign exchange difference, net		147	(833)
Gain on disposal of items of right-of-use assets		(94)	(9)
Equity-settled share option expense		7,584	8,544
Net cash flows used in operating activities		(13,766)	(41,687)
Decrease in inventories		2,298	2,555
Decrease/(increase) in prepayments, other receivables and other assets		399	(3,902)
(Decrease)/increase in trade payables		(65)	548
Increase/(decrease) in other payables and accruals		4,281	(6,865)
Increase/(decrease) in deferred income		320	(815)
Decrease in contract liabilities		(321)	(298)
Decrease in restricted cash		1	71
Cash generated from operations		(6,853)	(50,393)
Income tax paid		(6)	–
Net cash flows used in operating activities		(6,859)	(50,393)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of items of property, plant and equipment		(48)	(1,425)
Proceeds from disposal of items of property, plant and equipment		–	6
Net cash flows used in investing activities		(48)	(1,419)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
New bank loans		10,000	20,000
New loans from related parties		61,848	–
Repayment of bank loans		(14,260)	–
Repayment of related party's loans		(31,000)	–
Principal portion of lease payments		(765)	(2,780)
Interest paid		(465)	(57)
Net cash flows from financing activities		25,358	17,163
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
		18,451	(34,649)
Cash and cash equivalents at beginning of period		45,458	103,402
Effect of foreign exchange rate changes, net		(234)	810
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>		<b>63,675</b>	<b>69,563</b>

# Notes To Interim Condensed Consolidated Financial Information

June 30, 2025

## 1. CORPORATE AND GROUP INFORMATION

Cryofocus Medtech (Shanghai) Co., Ltd. ("the Company") is a joint stock company with limited liability established in the People's Republic of China ("PRC"). The registered office of the Company is located at Building 15, Lane 3399, Kangxin Road, Pudong New District, Shanghai, the PRC.

During the six months ended June 30, 2025, the Group was principally engaged in the following activities:

- research and development, manufacture and sale of cryoablation minimally-invasive interventional treatment technology and related medical products
- manufacture and sale of minimally-invasive surgical consumables

The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on December 30, 2022.

### Information about subsidiaries

Particulars of the Company's principal subsidiaries are as follows:

Name	Place and date of incorporation/registration and place of operations	Issued ordinary/registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Ningbo SensCure Biotechnology Co., Ltd. ("SensCure") (寧波勝杰康生物科技有限公司) *	People's Republic of China ("PRC")/Mainland China September 28, 2011	RMB60,000,000	100%	–	Research, development of technology and manufacturing and sale of related products
Cryofocus America Inc. *	California, The United States of America January 4, 2018	USD1,000,000	100%	–	Research and development of cryoablation medical devices and provision of related technical consultation service
Beijifeng Biotechnology (Shanghai) Co., Ltd. (北極豐生物科技(上海)有限公司) *	PRC/Mainland China April 9, 2021	RMB41,765,000	71.83%	–	Research, development of technology and manufacturing and sale of related products
Huifeng Biotechnology (Shanghai) Co., Ltd. (輝豐生物科技(上海)有限公司) *	PRC/Mainland China April 9, 2021	RMB79,208,000	50.50%	–	Research, development of technology and manufacturing and sale of related products
Ningbo Beijifeng Biotechnology Co., Ltd. (寧波北極豐生物科技有限公司) *	PRC/Mainland China November 16, 2022	RMB20,000,000	–	71.83%	Manufacturing of medical devices and sale of related products
Ningbo Huifeng Biotechnology Co., Ltd. (寧波輝豐生物科技有限公司) *	PRC/Mainland China November 14, 2022	RMB30,000,000	–	50.50%	Manufacturing of medical devices and sale of related products
Jadefeng Medtech (Shanghai) Co., Ltd. (迦德豐生物科技(上海)有限公司) *	PRC/Mainland China July 7, 2023	RMB10,000,000	100%	–	Research, development of technology and manufacturing and sale of related products

\* These entities are limited liability enterprises established under PRC law, except for Cryofocus America Inc.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the period or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

## 2.1 BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended June 30, 2025 has been prepared in accordance with HKAS 34 Interim Financial Reporting. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended December 31, 2024.

## 2.2 CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2024, except for the adoption of the following amended HKFRS Accounting Standard for the first time for the current period's financial information.

Amendments to HKAS 21

*Lack of Exchangeability*

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

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

## 3. OPERATING SEGMENT INFORMATION

### Operating segment information

The Group is engaged in research and development of medical consumables and devices, which is regarded as a single reportable segment in a manner consistent with the way in which information is reported internally to the Group's senior management for purposes of resource allocation and performance assessment. Therefore, no further operating segment analysis thereof is presented.

### Geographical information

Since nearly all of the Group's revenue was generated from sale of medical consumables and devices in Mainland China and nearly all of the Group's non-current assets were located in Mainland China, no further geographical segment information in accordance with HKFRS 8 *Operating Segments* is presented.



#### 4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	For the six months ended June 30,	
	2025 Unaudited RMB'000	2024 Unaudited RMB'000
<i>Revenue from contracts with customers</i>		
Sale of medical devices and consumables	51,106	19,475

##### Revenue from contracts with customers

##### (a) Disaggregated revenue information

	For the six months ended June 30,	
	2025 Unaudited RMB'000	2024 Unaudited RMB'000
Goods transferred at a point in time	51,106	19,475

The following table shows the amount of revenue recognised in the current reporting period that was included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

	For the six months ended June 30,	
	2025 Unaudited RMB'000	2024 Unaudited RMB'000
<b>Revenue recognised that was included in contract liabilities at the beginning of the reporting period:</b>		
Medical consumables	916	934

#### 4. REVENUE, OTHER INCOME AND GAINS *(Continued)*

##### Revenue from contracts with customers *(Continued)*

##### (b) Performance obligations

Information about the Group's performance obligations is summarised below:

##### ***Sale of medical consumables and devices***

The performance obligation is satisfied upon delivery and inspection of the medical consumables and devices, where payment in advance is normally required.

An analysis of other income and gains is as follows:

	For the six months ended June 30,	
	2025 Unaudited RMB'000	2024 Unaudited RMB'000
<b>Other income</b>		
Government grants (note)	281	1,930
Bank interest income	74	148
Others	132	44
Subtotal	487	2,122
<b>Gains</b>		
Foreign exchange differences, net	–	833
Subtotal	–	833
Total	487	2,955

Note: There are no unfulfilled conditions or contingencies relating to these grants.

## 5. LOSS BEFORE TAX

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

	For the six months ended June 30,	
	2025 Unaudited RMB'000	2024 Unaudited RMB'000
Cost of inventories sold	16,794	4,194
Depreciation of property, plant and equipment	2,975	3,323
Amortisation of other intangible assets	3	10
Depreciation of right-of-use assets	1,779	2,378
Research and development expenses	17,907	37,222
Lease payments not included in the measurement of lease liabilities	158	184
Employee benefit expense (including directors' and chief executive's remuneration):		
Wages and salaries	29,646	36,779
Pension scheme contributions	5,070	10,033
Equity-settled share option arrangements	7,584	8,544
Foreign exchange differences, net	147	(833)

## 6. FINANCE COSTS

An analysis of finance costs is as follows:

	For the six months ended June 30,	
	2025 Unaudited RMB'000	2024 Unaudited RMB'000
Interest on lease liabilities	194	379
Interest on interest-bearing bank and other borrowings	861	57
Total	1,055	436

## 7. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operate. The Group's principal applicable taxes and tax rates are as follows:

### Mainland China

PRC corporate income tax has been provided at the rate of 25% on the taxable profits of the Group's PRC subsidiaries for the reporting period. One of the subsidiaries of the Group was recognised as a High and New Technology Enterprise and was entitled to a preferential tax rate of 15% during the period.

### United States of America

The subsidiary incorporated in California, the United States is subject to statutory United States federal corporate income tax at a rate of 21%. It was also subject to the state income tax in California during the period. No provisions for federal corporate income tax and the state income tax have been provided as the subsidiary was loss-making during the period.

## 8. DIVIDENDS

No dividend was paid or declared by the Company during the period (2024: Nil).

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

The calculation of the basic loss per share amount is based on the loss for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 239,110,000 (six months ended June 30, 2024: 239,110,000) outstanding during the period, as adjusted to reflect the rights issue during the period. The weighted average number of ordinary shares outstanding before the conversion from a limited liability company into a joint stock company was determined by assuming that the paid-in capital had been fully converted into share capital upon transformation into a joint stock company in July 2021.

No adjustment has been made to the basic loss per share amounts presented for the six months ended June 30, 2025 and 2024 in respect of a dilution as the impact of the share options outstanding has an anti-dilutive effect on the basic loss per share amount presented.

The calculations of basic and diluted loss per share are based on:

	For the six months ended June 30,	
	2025 Unaudited RMB'000	2024 Unaudited RMB'000
<b>Loss</b>		
Loss attributable to ordinary equity holders of the parent, used in the basic loss per share calculation (RMB'000)	(23,817)	(52,171)
<b>Shares</b>		
Weighted average number of ordinary shares outstanding during the period used in the basic loss per share calculation	239,110,000	239,110,000
Loss per share (basic and diluted) (RMB per share)	(0.10)	(0.22)

## 10. TRADE RECEIVABLES

	As of June 30, 2025 Unaudited RMB'000	As of December 31, 2024 Audited RMB'000
Trade receivables	74	74
Impairment	(74)	(74)
Total	—	—

The Group's trading terms with its customers are mainly on advance payments from the customers, except for some customers, who are of lower credit risk evaluated by senior management, and the Group seeks to maintain strict control over its outstanding receivables to minimize credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

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

	As of June 30, 2025 Unaudited RMB'000	As of December 31, 2024 Audited RMB'000
Over 3 years	74	74
Total	74	74

## 11. TRADE PAYABLES

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

	As of June 30, 2025 Unaudited RMB'000	As of December 31, 2024 Audited RMB'000
Within 1 year	1,140	1,205

The trade payables are non-interest-bearing and are normally settled within one to three months.



## 12. COMMITMENTS

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

	As of June 30, 2025 Unaudited RMB'000	As of December 31, 2024 Audited RMB'000
Contracted, but not provided for: Plant and machinery	296	545

## 13. RELATED PARTY TRANSACTIONS

### (a) Name and relationship

Name	Relationship with the Company
Ningbo Linfeng Biotechnology Co., Ltd.	Controlled by a Controlling Shareholder
Ningbo Linstant Polymer Materials Co., Ltd.	Controlled by a Controlling Shareholder
Ningbo Trando 3D Medical Technology Co., Ltd.	Controlled by a Controlling Shareholder
Ningbo Muhe Catering Management Co., Ltd.	Controlled by a Controlling Shareholder
Ningbo Hangzhou Bay New District Muhe Property Co., Ltd.	Controlled by a Controlling Shareholder
Ningbo Shidi Medical Technology Co., Ltd.	Controlled by a Controlling Shareholder
Ningbo Hongzheng Testing Technology Co., Ltd.	Controlled by a Controlling Shareholder
Ningbo Kangfeng Biotechnology Co., Ltd	Significantly influenced by the company controlled by a Controlling Shareholder
Ningbo DIZEGENS Medical Science Co., Ltd	Controlled by a Controlling Shareholder
Ningbo Yiming Enterprise Management Co., Ltd	Significantly influenced by the company controlled by a Controlling Shareholder
Ningbo Weifeng Biotechnology Co., Ltd	Significantly influenced by the company controlled by a Controlling Shareholder
Ms. Li Hui	Controlling Shareholder

13. RELATED PARTY TRANSACTIONS *(Continued)*

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

	For the six months ended June 30,	
	2025 Unaudited RMB'000	2024 Unaudited RMB'000
<b>Advance of a utility bill to a related party</b>		
Ningbo Linfeng Biotechnology Co., Ltd.	2,696	325
Ningbo Kangfeng Biotechnology Co., Ltd	208	—
Ningbo Yiming Enterprise Management Co., Ltd	61	—
Total	2,965	325
<b>Loans from related parties</b>		
Ningbo Linfeng Biotechnology Co., Ltd.	45,000	—
Ms. Li Hui	16,848	—
Total	61,848	—
<b>Repayment of related party's loans</b>		
Ningbo Linfeng Biotechnology Co., Ltd.	31,000	—
<b>Advance from related parties</b>		
Ningbo Kangfeng Biotechnology Co., Ltd	7,400	—
<b>Purchases of products</b>		
Ningbo Linstant Polymer Materials Co., Ltd.	67	120
Ningbo Weifeng Biotechnology Co., Ltd	43	—
Ningbo DIZEGENS Medical Science Co., Ltd	15	—
Ningbo Trando 3D Medical Technology Co., Ltd.	—	56
Total	125	176
<b>Purchases of service</b>		
Ningbo Muhe Catering Management Co., Ltd.	162	243
Ningbo Shidi Medical Technology Co., Ltd.	63	—
Ningbo Hangzhou Bay New District Muhe Property Co., Ltd.	25	26
Ningbo Hongzheng Testing Technology Co., Ltd.	8	25
Total	258	294

The pricing of products and services was made according to the published prices and conditions similar to those offered to the major customers of the suppliers.

### 13. RELATED PARTY TRANSACTIONS *(Continued)*

#### (c) Outstanding balances with related parties:

	As of June 30, 2025 Unaudited RMB'000	As of December 31, 2024 Audited RMB'000
Prepayments, other receivables and other assets:		
Due from related parties:		
Ningbo Kangfeng Biotechnology Co., Ltd.**	40	40
Ningbo DIZEGENS Medical Science Co., Ltd.*	–	15
Total	40	55
Due to related parties:		
Ningbo Linfeng Biotechnology Co., Ltd.	14,251	–
Ms. Li Hui	16,993	–
	31,244	–
Other payables and accruals:		
Due to related parties:		
Ningbo Kangfeng Biotechnology Co., Ltd.**	8,400	1,000
Ningbo Linfeng Biotechnology Co., Ltd. ***	825	1,131
Ningbo Yiming Enterprise Management Co., Ltd.**	182	121
Ningbo Muhe Catering Management Co., Ltd. **	75	–
Ningbo Hangzhou Bay New District Muhe Property Co., Ltd. **	21	–
Ningbo Linstant Polymer Materials Co., Ltd.*	17	73
Total	9,520	2,325

\* The balances are trade in nature.

\*\* The balances are non-trade in nature.

\*\*\* The balances include both trade balances and non-trade balances in nature.

### 13. RELATED PARTY TRANSACTIONS *(Continued)*

#### (d) Compensation of key management personnel of the Group:

	For the six months ended June 30,	
	2025 Unaudited RMB'000	2024 Unaudited RMB'000
Salaries, allowances, and benefits in kind	3,206	3,283
Pension scheme contributions	423	429
Equity-settled share option arrangements	5,332	5,560
Total compensation paid to key management personnel	8,961	9,272

#### (e) Leases with related parties

##### The Group as a lessee:

The Group has lease contracts with Ningbo Linfeng Biotechnology Co., Ltd. ("Ningbo Linfeng") and Ningbo Kangfeng Biotechnology Co., Ltd ("Ningbo Kangfeng") and details of summary was as below:

	As of June 30, 2025 Unaudited RMB'000	As of December 31, 2024 Audited RMB'000
Long-term:		
Lease liabilities – current	4,913	2,927
Lease liabilities – non-current	1,948	3,492
Total	6,861	6,419

#### 14. FINANCIAL INSTRUMENTS BY CATEGORY

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

	As of June 30, 2025 Unaudited RMB'000	As of December 31, 2024 Audited RMB'000
<b>Financial assets</b>		
<b><i>Financial assets at amortised cost</i></b>		
Financial assets included in prepayments, other receivables and other assets	848	1,140
Restricted cash	–	1
Cash and cash equivalents	63,675	45,458
Total	64,523	46,599
<b>Financial liabilities</b>		
<b><i>Financial liabilities at amortised cost</i></b>		
Trade payables	1,140	1,205
Financial liabilities included in other payables and accruals	13,137	8,243
Due to related parties	31,244	–
Interest-bearing bank borrowings	25,740	30,000
Total	71,261	39,448




## Definitions

*In this interim report, unless the context otherwise requires, the following expressions shall have the following meanings.*

"Articles of Association"	the articles of association of the Company adopted from time to time
"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Audit Committee"	the audit committee of the Board
"Board"	the board of Directors
"Board of Supervisors"	the board of Supervisors
"CE Marking" or "CE"	Conformite Europeenne, an administrative marking that indicates conformity with health, safety, and environmental protection standards for products sold within the European Economic Area (EEA)
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"China" or "PRC"	the People's Republic of China excluding, for the purposes of this interim report, Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan
"Company", "our Company" or "Cryofocus"	Cryofocus Medtech (Shanghai) Co., Ltd. (康澧生物科技(上海)股份有限公司), a joint stock company incorporated in the PRC with limited liability on July 21, 2021, or, where the context requires (as the case may be), its predecessor, Cryofocus Medtech (Shanghai) Company Limited (康澧生物科技(上海)有限公司), a limited liability company established in the PRC on March 15, 2013
"Core Product(s)"	has the meaning ascribed thereto under the Listing Rules and in this interim report, refers to the Bladder Cryoablation System (膀胱冷凍消融系統) and the Endoscopic Clip for Anastomosis (內鏡吻合夾)
"CT"	computed tomography
"Director(s)"	the director(s) of the Company
"FDA"	the United States Food and Drug Administration
"Group", "our Group", "our", "we", or "us"	the Company and its subsidiaries, or any one of them as the context may require or, where the context refers to any time prior to its incorporation, the business which its predecessors or the predecessors of its present subsidiaries, or any one of them as the context may require, were or was engaged in and which were subsequently assumed by it

"H Share(s)"	overseas listed foreign invested ordinary share(s) in the ordinary share capital of our Company, with a nominal value of RMB1.00 each, which are listed on the Stock Exchange
"HKD" or "HK\$"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange (as amended, supplemented or otherwise modified from time to time)
"Main Board"	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"Ningbo SensCure"	Ningbo SensCure Biotechnology Co., Ltd. (寧波勝傑康生物科技有限公司), a limited company established in the PRC and our wholly-owned subsidiary
"NMPA"	the National Medical Products Administration of the PRC (國家藥品監督管理局), successor to the China Food and Drug Administration or CFDA (國家食品藥品監督管理總局)
"NOTES"	natural orifice transluminal endoscopic surgery, a form of scarless surgery performed through cavities that connect to the outside of the body (such as the stomach wall or vagina) to access the abdominal cavity
"Reporting Period"	the six months ended June 30, 2025
"RMB"	Renminbi, the lawful currency of the PRC
"R&D"	research and development
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (as amended, supplemented or otherwise modified from time to time)
"Share(s)"	ordinary share(s) in the capital of our Company with a nominal value of RMB1.00 each, comprising Unlisted Shares and H Shares
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules



"Supervisor(s)"	the supervisor(s) of the Company
"United States" or "U.S."	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"Unlisted Share(s)"	ordinary share(s) issued by the Company with a nominal value of RMB1.00 each which are not listed on any stock exchange
"USD"	United States dollars, the lawful currency of the United States
"%"	per cent