Jenscare Scientific Co., Ltd.
寧波健世科技股份有限公司

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

(Stock Code: 9877)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2024

The Board is pleased to announce the unaudited consolidated interim results of the Group for the six months ended June 30, 2024, together with the comparative figures for the six months ended June 30, 2023 as follows. The unaudited consolidated financial statements of the Group for the Reporting Period have been reviewed by the management of the Company together with the Audit Committee.

FINANCIAL HIGHLIGHTS

	Six months ended June 30,		
	2024	2023	Period-to-period change
	RMB'000	*RMB'000*	*(%)*
	(unaudited)	(unaudited)	
Revenue	**–**	–	–
Gross profit	**–**	–	–
Loss before tax	**(105,765)**	(178,161)	-40.64%
Loss for the period	**(105,765)**	(178,161)	-40.64%
Loss attributable to owners of the parent	**(102,261)**	(175,754)	-41.82%
Loss per Share attributable to ordinary equity holders of the parent			
Basic and diluted	**RMB(0.25)**	RMB(0.42)	-40.48%

BUSINESS HIGHLIGHTS

During the Reporting Period and as at the date of this announcement, we have made the following positive progress with respect to our product pipeline and business operations:

MAINLAND CHINA

- The six-month clinical follow-up results of clinical trial TRAVEL II study of LuX-Valve Plus were published at the 18th Oriental Congress of Cardiology together with the World Congress of Cardiology (OCC-WCC 2024). According to the published clinical results, the device success rate was about 97%, and the average device operation time was around 35.56 minutes. The efficacy results showed that all patients had an improved tricuspid regurgitation ("**TR**") grade and 97.62% of the patients had no moderate or above TR. In terms of New York Heart Association ("**NYHA**") cardiac function improvement, 91.86% of the patients improved from pre-procedure class III/IV to class I/II. In terms of quality of life, the patients increased their Kansas City Cardiomyopathy Questionnaire averaging score by 20 points. The safety results showed that the incidence of composite events was 8.33%. The TRAVEL II study's six-month clinical follow-up results indicated that LuX-Valve Plus demonstrated promising mid-term clinical performance with no noticeable increase in safety events and continued improvement in efficacy over a longer clinical observation period, enabling the patients to further improve their cardiac function and quality of life, and sustained clinical benefits.

- We have completed the one-year follow-up for registration clinical trial for LuX-Valve Plus. We expect to submit the application for registration to the NMPA for approval in the near future.

- We published the compassionate use experience outcomes of LuX-Valve Plus in Hong Kong at China Valve (HangZhou) 2024. According to the published data, the procedure success rate was 100%. The procedural and 30-day outcomes showed that the percentage of incidences of all-cause mortality, cardiovascular mortality, malposition/migration, emergency surgery/reintervention, vascular access complication, cerebrovascular accident and myocardial infarction were all 0%, and 100% of the patients' TR grade was improved to none/trace. The study results indicated that LuX-Valve Plus was a promising Transcatheter tricuspid valve replacement ("**TTVR**") device, which can cover a wide range of tricuspid annulus dimensions with low pacemaker implantation rate, and demonstrated good procedural and post-procedural results.

- The registration application to NMPA for approval of Ken-Valve was already officially accepted by NMPA, and the application was admitted to enter the priority approval process of the NMPA (the "**Priority Approval Process**") for medical devices, making Ken-Valve the first valve product to enter the Priority Approval Process.

- JensClip has completed the enrollment of the trial subjects for the confirmatory clinical trial and the one-month follow-up with outstanding clinical results.

OVERSEAS

- We published the six-month clinical follow-up results of LuX-Valve Plus at New York Valves 2024. The study showed that LuX-Valve Plus system achieved short delivery times, low composite event rates, significant TR reduction at six months and improvement in functional and quality of life metrics. The LuX-Valve Plus system has gained worldwide recognition and high attention.

- The Investigational Device Exemption ("**IDE**") for early feasible study ("**EFS**") of LuX-Valve Plus has been approved by the U.S. Food and Drug Administration ("**FDA**"). The EFS of LuX-Valve Plus has been initiated in the U.S..

- The enrollment of trial subjects for the LuX-Valve Plus clinical trial carried out in Europe with the aim of obtaining the CE Certificate is about to complete. Various clinical institutions from seven countries in the world are actively participating in the clinical trial and LuX-Valve Plus has won unanimous acclaim from those participating clinical institutions.

- LuX-Valve Plus published the global compassionate use outcomes at EuroPCR 2024. In-hospital outcomes indicated TR grade reduced instantly and 94.7% of patients recovered to moderate and below. The percentage of incidence of new pacemaker implantation was only 3.9%. Subsequently, 30-day outcomes showed that 95% of patients recovered to moderate and below. NYHA cardiac function improved continuously, with 85.4% of patients improving to post-operative class I/II. Moreover, the echocardiographic findings showed the right heart/ventricle benefits as well. The study outcomes demonstrate that the LuX-Valve Plus system for TTVR is safe and results are in an efficacious TR reduction, and it is applicable to patients with advanced tricuspid disease characterized by large right ventricle dimensions.

- LuX-Valve Plus has completed a number of pre-commercial activities in multi-regions worldwide. In order to meet the substantial and urgent demand from tricuspid regurgitation patients around the world, we will continue to promote the application of the products around the world, so as to further enhance the Company's academic position and influence in the world, and lay a solid foundation for the Company's globalization strategy.

- We are exploring global business development cooperation and partnership with foreign medical device manufacturers and enterprises in different phases, which can accelerate the global application of the Company's products.

COMMERCIALIZATION

Commercial Team

- We have built a professional and efficient commercial team responsible for the premarket introduction and education of the Core Products. The Company's clinical medicine team has set up a professional team with medical literacy and medical operations understanding, which has established the global operating standards through high-standard clinical follow-up feedbacks. At the same time, the sales and marketing team has started preparation for pre-entering the market globally to enhance the Company's market expansion and marketing capabilities to further enhance commercialization capabilities.

- In mainland China, we have trained more than 50 independent physicians and teaching experts of LuX-Valve series products.

- In countries and regions other than mainland China, we have provided training to nearly 30 independent physicians and teaching experts covering regions such as North America, Europe, Asia-Pacific and Latin America.

Targeted Hospitals Coverage

- With respect to LuX-Valve series products, we have expanded to more than 220 hospitals with influence in both academia and industry, with presence in more than 30 provinces, municipalities and autonomous regions in mainland China.

- We have completed implantation procedures or treatment promotions for LuX-Valve Plus in more than 70 hospitals worldwide (excluding mainland China).

Expanding Product Influence through Academic Conferences and Events

- Through academic conferences and events, our products have been widely accepted globally, enabling us to access resources and potential partners for our current and future global commercialization.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended June 30, 2024

	Note	**2024** ***RMB'000*** **(Unaudited)**	2023 *RMB'000* (Unaudited)
Other income and gains		**16,950**	34,050
Research and development expenses		**(82,233)**	(137,603)
Administrative expenses		**(35,291)**	(82,137)
Other expenses		**(5,050)**	(226)
Finance costs		**(141)**	(68)
Share of profit of an associate		**–**	7,823
LOSS BEFORE TAX	*5*	**(105,765)**	(178,161)
Income tax expenses	*6*	**–**	–
LOSS FOR THE PERIOD		**(105,765)**	(178,161)
OTHER COMPREHENSIVE LOSS/INCOME			
Other comprehensive loss/income that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		**(2,102)**	10,195
OTHER COMPREHENSIVE LOSS/INCOME FOR THE PERIOD, NET OF TAX		**(2,102)**	10,195
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		**(107,867)**	(167,966)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

For the six months ended June 30, 2024

	Note	**2024** ***RMB'000*** **(Unaudited)**	2023 *RMB'000* (Unaudited)
Loss attributable to:			
Owners of the parent		**(102,261)**	(175,754)
Non-controlling interests		**(3,504)**	(2,407)
		(105,765)	(178,161)
Total comprehensive loss attributable to:			
Owners of the parent		**(104,363)**	(165,559)
Non-controlling interests		**(3,504)**	(2,407)
		(107,867)	(167,966)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	*8*		
Basic and diluted			
– For loss for the period		**RMB(0.25)**	RMB(0.42)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at June 30, 2024

	Note	**June 30, 2024** ***RMB'000*** **(Unaudited)**	December 31, 2023 *RMB'000* (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	*9*	**123,047**	110,178
Other intangible assets		**4,234**	4,140
Right-of-use assets		**29,808**	28,371
Bank deposits with the maturity over one year		**100,000**	–
Other non-current assets		**36,323**	29,490
Total non-current assets		**293,412**	172,179
CURRENT ASSETS			
Inventories		**26,319**	28,126
Prepayments, other receivables and other assets		**34,353**	32,523
Financial assets at fair value through profit or loss		**108,107**	166,438
Cash and cash equivalents		**714,321**	927,826
Total current assets		**883,100**	1,154,913
CURRENT LIABILITIES			
Trade payables	*10*	**14,848**	16,332
Amount due to a shareholder		**1,000**	–
Amount due to non-controlling shareholders		**3,200**	–
Other payables and accruals		**30,027**	40,431
Lease liabilities		**2,653**	1,918
Total current liabilities		**51,728**	58,681
NET CURRENT ASSETS		**831,372**	1,096,232
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,124,784**	1,268,411
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings		**51,215**	40,746
Lease liabilities		**3,092**	1,411
Total non-current liabilities		**54,307**	42,157
Net assets		**1,070,477**	1,226,254

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at June 30, 2024

	Note	**June 30, 2024** ***RMB'000*** **(Unaudited)**	December 31, 2023 *RMB'000* (Audited)
EQUITY			
Equity attributable to owners of the parent			
Share capital		**417,167**	417,167
Treasury shares		**(67,220)**	(5,038)
Reserves		**730,653**	820,744
		1,080,600	1,232,873
Non-controlling interests		**(10,123)**	(6,619)
Total equity		**1,070,477**	1,226,254

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended June 30, 2024

1 CORPORATE AND GROUP INFORMATION

Jenscare Scientific Co., Ltd. (the "**Company**") was incorporated in the People's Republic of China (the "**PRC**") on November 8, 2011 as a limited liability company. On March 23, 2021, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC. The registered office of the Company is located at No. 777 Binhai Forth Road, Hangzhou Bay New District, Ningbo, Zhejiang, the PRC.

The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on October 10, 2022.

During the period, the Company and its subsidiaries (the "**Group**") were mainly engaged in the research and development of interventional products for the treatment of structural heart diseases and other related medical products.

2 BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended June 30, 2024 has been prepared in accordance with IAS 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, 2023. This interim condensed consolidated financial information is presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand except when otherwise indicated.

3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

Amendments to IAS 1	*Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants*
Amendments to IFRS 16	*Lease liability in sale and leaseback*
Amendments to IAS 7 and IFRS 7	*Supplier Finance Arrangements*

4 OPERATING SEGMENT INFORMATION

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

Geographical information

Since nearly all of the Group's non-current assets were located in Mainland China during the reporting period, no further geographical segment information is presented.

5 LOSS BEFORE TAX

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

	For the six months ended June 30	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Depreciation of property, plant and equipment	**4,572**	4,264
Amortisation of intangible assets	**265**	238
Depreciation of right-of-use assets	**1,734**	1,286
Research and development expenses	**82,233**	137,603
Loss on disposal of property, plant and equipment	**49**	–
Impairment of other receivables	**876**	180
Impairment of property, plant and equipment	**1,463**	–
Write-down of inventories	**2,311**	–
Auditor's remuneration	**600**	600
Government grants	**(1,119)**	(12,527)
Bank interest income	**(7,674)**	(10,766)
Lease payments not included in the measurement of lease liabilities	**688**	788
Fair value gains, net:		
Financial assets at fair value through profit or loss	**(4,987)**	(1,987)
Foreign exchange differences, net	**(2,666)**	(8,769)

6 INCOME TAX

The Group's principal applicable taxes and tax rates are as follows:

(a) Pursuant to the Corporate Income Tax Law of the PRC (the "**CIT Law**") and the respective regulations, the applicable tax rate of the Company and its subsidiaries in the PRC is 25%, except for Jenscare (Hainan) Venture Capital Co. Ltd. which was entitled to a preferential income tax rate of 5% for the taxable income. No provision for the PRC income tax has been made as the Group's entities in the PRC had no estimated assessable profits during the period presented in the interim condensed consolidated financial information.

(b) No provision for Hong Kong profit tax has been made at a rate of 16.5% as the Group's entity in Hong Kong had no estimated assessable profits during the period presented in the interim condensed consolidated financial information.

(c) No provision for Netherlands income tax has been made at a rate of 25.8% as the Group's entity in the Netherlands had no estimated assessable profits during the period presented in the interim condensed consolidated financial information.

7 DIVIDENDS

No dividend was declared by the Directors during the six months ended June 30, 2024 (six months ended June 30, 2023: Nil).

8 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 413,015,000 (six months ended June 30, 2023: 417,167,000) in issue during the period.

The Group had potential dilutive shares throughout the period related to the shares held for the share award scheme. Due to the Group's negative financial results during the period, shares held for the share award scheme have an anti-dilutive effect on the Group's loss per share. Thus, the diluted loss per share is equivalent to the basic loss per share.

As of June 30, 2024, the Company have purchased its shares on the Stock Exchange at a total consideration of HK$73,961,000 (equivalent to approximately RMB67,220,000). The purchased shares will be used as award shares for the selected participants of a share award scheme. Since then, the weighted average number of such shares considered as treasury shares has been included in the calculation of basic loss per share.

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

	For the six months ended June 30	
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Loss		
Loss attributable to ordinary equity holders of the parent, used in the basic and diluted loss per share calculations	**(102,261)**	(175,754)

	Number of shares For the six months ended June 30	
	2024	2023
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic and diluted loss per share calculations	**413,015,000**	417,167,000

9 PROPERTY, PLANT AND EQUIPMENT

During the six months ended June 30, 2024, the Group acquired assets at a cost of RMB20,033,000 (six months ended June 30, 2023: RMB41,911,000).

10 TRADE PAYABLES

The trade payables are non-interest-bearing and are normally settled within two months. An ageing analysis of the trade payables as at the end of the period, based on the invoice dates, is as follows:

	June 30	December 31
	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Trade payables		
Within 1 year	**13,955**	16,303
Over 1 year	**893**	29
	14,848	16,332

I. BUSINESS REVIEW

Overview

We are an international medical device company dedicated to the development of interventional products for the treatment of structural heart diseases. Our Company was established in the PRC in November 2011. Since then we have developed a series of treatment solutions targeting different types of structural heart diseases, including tricuspid valve diseases, aortic valve diseases, mitral valve diseases and cardiogenic stroke.

Products and Pipeline

As of the date of this announcement, we have a portfolio of six product candidates in various stages of development. In order to minimize the operating risks of the Company so as to ensure the Company's long-term sustainable development and bring stable returns for the Shareholders, the management and the Board of Directors, after prudent consideration, decided to further optimize the Company's product pipeline, strategically concentrate its resources on key Core Products, and accelerate the Company's global commercialization process with a view to achieving breakeven and high profit growth as soon as practicable.

Our recent business focus will still be on the global promotion of the LuX-Valve series, our TTVR products, and target to lay a foundation for global commercialization of this product series through various means such as conducting clinical trial for registration and obtaining approval, expanding regional business development, establishing strategic cooperation and other diversified ways in multiple countries and regions globally which will also provide support for other key products in the future.

The following diagram summarizes the status of our product candidates under development as of the date of this announcement:

Product Candidates	Product Categories	Pre-Clinical	Clinical Stage[Note 1]	Registration	Upcoming Milestones	Expected Commercial-ization[Note 2]
LuX-Valve Plus[Note 3] ★	Transcatheter tricuspid valve replacement (TTVR) system	NMPA approval: Completed the confirmatory clinical trial			Submission for NMPA approval (2024Q3)	2025H2
	Transcatheter tricuspid valve replacement (TTVR) system	CE Marking: In the process of registration clinical trial			Completion of the subject enrollments for the registration clinical trial (2024Q3)	2025H2
	Transcatheter tricuspid valve replacement (TTVR) system	FDA Marking: In the process of EFS clinical study			Completion of the subject enrollments for EFS clinical trial (2024Q4)	2027H1
LuX-Valve[Note 3] ★	Transcatheter tricuspid valve replacement (TTVR) system	Admitted into the Green Path and completed the one-year follow up			Submission for NMPA approval (2025H1)	2025H2
Ken-Valve[Note 3] ★	Transcatheter aortic valve replacement (TAVR) system	NMPA approval: Completed the submission for registration			Obtained the NMPA approval (2024Q4)	2024Q4
JensClip ★	Transcatheter mitral valve repair (TMVr) system	NMPA approval: Completed the subject enrollments for the confirmatory clinical trial			Submission for NMPA approval (2025H1)	2026H1
JensRelive	Transcatheter mitral valve replacement (TMVR) system	NMPA approval: In the process of conducting animal trials			Initiation of the feasibility clinical trial (2025H1)	2027H2
SimuLock	Biomimetic left atrial appendage occluder system	NMPA approval: In the process of confirmatory clinical trial			Completion of confirmatory clinical trial (2025H1)	2026H2

Note 1: Entering clinical stage is marked by the completion of first human trial.
Note 2: The point in time of expected commercialization is based on the obtaining of product registration certificate.
Note 3: The Company's Core Products.

★ Products with ★ are core technology products of the Company, which refer to the products entering confirmatory clinical trial stage based on the application of the Company's core technology and the R&D progress achieving certain stages.

Our Products and Product Candidates

Tricuspid Valve Product Candidates

LuX-Valve Plus, our proprietary second-generation TTVR system, is designed for patients with severe tricuspid regurgitation and high surgical risk. LuX-Valve Plus works by functionally replacing the patient's dysfunctional native tricuspid valve with a prosthetic valve implanted through a minimally invasive intervention without the need for conventional open-heart surgery. LuX-Valve Plus is a Class III medical device under the classification criteria of the NMPA. LuX-Valve Plus uses a transvascular delivery system through transjugular approach. We expect the transvascular access path not only to effectively simplify the operation procedure with shorter device procedure time, smaller incisions and less damage to the heart tissue, but also to be used in a wider range of situations such as rare and complex anatomical structures. In addition, the delivery system of LuX-Valve Plus is multi-angle adjustable and steerable, allowing physicians to more conveniently adjust the release position and angle, and thereby further increasing the product's safety profile. We have completed the one year follow-up for registration clinical trial for LuX-Valve Plus. We expect to submit the application for registration LuX-Valve Plus to the NMPA for approval in the near future.

In July 2024, the results of the six-month clinical follow-up of multicenter clinical trial of LuX-Valve Plus (TRAVEL II) were officially published at New York Valves 2024 and the 18th Oriental Congress of Cardiology together with the World Congress of Cardiology (OCC-WCC 2024). For details, please refer to the announcement of the Company dated July 2, 2024.

LuX-Valve Plus is about to complete the enrollment trial subjects for the clinical trial carried out in Europe with the aim of obtaining the CE Certificate. Various clinical institutions from seven countries in the world actively participating in the clinical trial and LuX-Valve Plus won unanimous acclaim from those participating clinical institutions. In October 2023, LuX-Valve Plus was selected for the Expert Panel Scientific Advice Pilot of the European Medicines Agency, and it is expected that the clinical development and clinical research of Lux-Valve Plus will be guided by the expert panels, which will further accelerate the clinical development and registration progress for CE Certificate in Europe, expand the global reach and facilitate the internationalization progress of the product.

The IDE for EFS of LuX-Valve Plus has been approved by FDA and has been initiated in the U.S. It was expected that the enrollment for the EFS clinical study would be completed in the fourth quarter of 2024 and the study would then enter pivotal trial preparation, marking a significant progress made by LuX-Valve Plus in the U.S. clinical trial registration and in overseas applications. In September 2023, LuX-Valve Plus was enrolled in the Total Product Life Cycle Advisory Program ("**TAP**") pilot of the FDA.

A series of preparation activities for commercialization of LuX-Valve Plus have been completed in several regions of the world. In order to meet the huge and urgent demand from tricuspid regurgitation patients around the world, we will continue to promote the application of our products in different regions worldwide, so as to further enhance the Company's academic position and influence in the world, and lay a solid foundation for the Company's globalization strategy.

LuX-Valve, our proprietary TTVR system, is designed to treat patients with both severe tricuspid regurgitation and high surgical risk. LuX-Valve works by replacing the function of a patient's dysfunctional native tricuspid valve with a prosthetic valve implanted through a minimally invasive intervention without the need for conventional open-heart surgery. LuX-Valve is a Class III medical device under the classification criteria of the NMPA. As of the date of this announcement, we held 32 patents and 18 patent applications in relation to LuX-Valve series products. LuX-Valve was admitted into the Special Examination for Innovative Medical Devices by the NMPA in January 2019. In November 2023, the one-year results of the confirmatory clinical trial of LuX-Valve was reported at the PCR London Valves 2023. We are currently in the process of active communication with NMPA, and expected that an application for registration will be submitted to NMPA for approval in the first half of 2025.

As of the date of this announcement, nearly 600 cases of implantation of the LuX-Valve series products have been completed worldwide, with a record of the longest follow-up of over 5 years.

Aortic Valve Product Candidates

Ken-Valve, our proprietary first-generation transcatheter aortic valve replacement ("**TAVR**") system, is designed for the treatment of patients with severe aortic regurgitation or combined with aortic stenosis. Ken-Valve is a Class III medical device under the classification criteria of the NMPA. In May 2023, we completed the one year follow-up work of the confirmatory clinical trial for Ken-Valve. In October 2023, the registration application for Ken-Valve was accepted in the Priority Approval Process for medical devices. It is expected that we shall obtain the NMPA approval for the commercialization of Ken-Valve in the fourth quarter of 2024.

Mitral Valve Product Candidates

JensClip, our proprietary clip-based transcatheter mitral valve repair ("**TMVr**") system, is designed to treat patients with severe mitral regurgitation. It works by clipping together a small area of the mitral valve leaflets, which continue to open and close on either side of the clip. This allows blood to flow on both sides while reducing the flow of blood in the wrong direction. In addition, JensClip utilizes a claw wall and a locking mechanism, with a simple structure design that can grasp the valve leaflets bilaterally and is easy to use with good flexibility. In addition, during the procedure, the delivery system of JensClip is designed to enable physicians to maneuver the device in a 360-degree fashion. JensClip is a Class III medical device under the classification criteria of the NMPA. The subject enrollment of the feasibility clinical trial of JensClip in China was completed in December 2022, and in March 2024, all of the subject enrollments for the confirmatory clinical trial and the one-month follow-up were completed.

JensRelive, our proprietary transcatheter mitral valve replacement ("**TMVR**") (transfemoral) system, is designed to treat patients with severe mitral regurgitation. It works by replacing the function of a patient's dysfunctional native mitral valve without the need for conventional open-heart surgery. JensRelive consists of a prosthetic mitral valve, a delivery catheter system, and a loading system. Our JensRelive uses a special anchoring design, and such design helps the fixation while preventing displacement. In addition, JensRelive is equipped with retrievable and steerable functions, which are expected to improve the valve positioning accuracy and stability during deployment. As at the date of this announcement, we are in the process of conducting animal trials for JensRelive.

Other Structural Heart Diseases Product Candidates

SimuLock, our product candidate for cardiogenic stroke prevention, is our proprietary bionics left atrial appendage occluder system. The three-dimensional sealing and controllable differential endothelial coating design of this product helps to prevent the thromboembolism of left auricle and lower the risk of fatal bleeding for nonvalvular atrial fibrillation patients who are suitable for anticoagulation treatment or have contraindications to anticoagulation treatment. SimuLock adopts a unique design of bionics anchoring, which helps to reduce safety risks. In addition, SimuLock can be modularly assembled as required to cover extensive patients with atrial fibrillation featuring significant differences in anatomical structure of the left atrial appendage. In the third quarter of 2023, we commenced the feasibility clinical trial. In November 2023, we completed the subject enrollment for the first confirmatory clinical trial and clinical implantation of SimuLock and it is expected that the enrollment of the trial subjects will be completed in the first half of 2025.

For details of our products and product candidates, please refer to our Prospectus.

Cautionary Statement as required by Rule 18A.08(3) of the Listing Rules: There is no assurance that we will ultimately develop, market and/or commercialize our Core Products or any other product candidates successfully.

Research and Development

Our R&D team self-develops interventional medical device products focusing on the treatment of structural heart diseases. We intend to expand and improve our product portfolio by strengthening our R&D of new products, expanding our product pipeline and improving our existing product candidates.

As of the date of this announcement, we had:

- Three Core Products, as well as three other product candidates in various stages of development; and

- 177 issued patents and 217 patent applications in more than ten countries or regions.

Manufacturing

We have full manufacturing capabilities, including production lines for stents, valves, and delivery systems, respectively. We procured equipment and machinery from reputable suppliers and completed comprehensive commissioning and qualification steps to verify that the equipment and programs are installed according to the requisite specifications. The Company has obtained ISO 13485 certification. We believe our manufacturing capability will give us an edge in clinical trials and future commercialization.

Our manufacturing facility is located in Ningbo, Zhejiang the PRC, and along with two adjacent properties, occupy approximately 7,000 sq.m.. It is designed and built for manufacturing medical devices in compliance with GMP requirements with full manufacturing capability and ready for commercial-scale production. Our manufacturing facility has several production lines, including production lines for stents, valves, and delivery systems, respectively.

Commercialization

Commercialization of our product candidates is critical to our future growth and success. To drive our product launch and bring our product candidates to market, we are assembling our core commercial leadership team in anticipation of product launch.

As of the date of this announcement, we have built a professional and efficient commercial team. The commercial team, comprising of sales and marketing team and clinical medicine team, is responsible for the pre-market introduction and education of the Core Products. The Company's clinical medicine team has set up a professional team with medical literacy and medical operations understanding, which has established the global operating standards through high-standard clinical follow-up feedbacks.

The sales and marketing team has started preparation work for product admission as well as the construction of regional distributors' network to enhance the Company's market expansion and marketing capabilities to further enhance commercialization capabilities. As of the date of this announcement, we have expanded to more than 220 hospitals in mainland China with influence in both academia and industry, with presence in more than 30 provinces, municipalities and autonomous regions. We have trained more than 50 independent physicians and teaching experts as of the date of this announcement. We plan to scale up our commercial team to cover the increasing number of hospitals for the upcoming product launch.

In countries and regions other than mainland China, we have provided training to nearly 30 independent physicians and teaching experts covering regions such as North America, Europe, Asia Pacific and Latin America, and have completed implantation procedures or treatment promotions in more than 70 hospitals.

We have participated in both domestic and overseas high-quality academic conferences in the field of structural heart diseases, including industry conferences, associations, and annual meetings. Such conferences include New York Valves 2024, EuroPCR 2024, 2024 Beijing Valves, OCC-WCC 2024, Taipei Valve Summit 2024, China Valve (Hangzhou) 2024, etc.. These events allow us to increase the market visibility of our product candidates, share our clinical results and enhance experts' awareness of clinical benefits of our product candidates. Going forward, we plan to organize and participate in more academic conferences of the aforementioned types on a yearly basis.

We are exploring global business development cooperation and partnership with foreign medical device manufacturers and enterprises in different phases, which would accelerate the global commercialization of the Company's products around the world.

Future Development

Our vision is to become a global pioneering medical device platform with a comprehensive offering of innovative products for the treatment of structural heart diseases. We plan to implement the following strategies to achieve our goal:

- expedite the application of our Core Products around the world, in order to meet the huge and urgent clinical demands for structural heart diseases treatment;

- specialize in structural heart diseases and build upon our R&D capabilities and seek strategic collaborations to optimize our product portfolio; and

- expand our footprint to become an industry pioneer.

II. FINANCIAL REVIEW

Other Income and Gains

Our other income and gains primarily consist of (i) interest income from bank deposits; (ii) government grants, primarily including subsidies received from the local governments to support our R&D activities and business operations; (iii) net foreign exchange gains in connection with bank balance and cash denominated in U.S. dollars; and (iv) gains on financial assets at fair value through profit or loss, representing the realized and unrealized gains from wealth management products we purchased. Our other income and gains decreased from RMB34.1 million for the six months ended June 30, 2023 to RMB17.0 million for the Reporting Period. The decrease was primarily attributable to the decrease in government grants and foreign exchange gains.

Research and Development Expenses

Our R&D expenses primarily consist of (i) share-based compensation expenses; (ii) staff costs, including salaries, bonus and welfare for R&D personnel; (iii) costs of raw materials and consumables used for R&D of our product candidates; and (iv) third-party contracting costs, primarily including payments to contract research organizations, clinical trial sites, and other medical institutions and testing fees incurred for pre-clinical studies and clinical trials.

Our R&D expenses have decreased from RMB137.6 million for the six months ended June 30, 2023 to RMB82.2 million for the Reporting Period. The decrease was primarily attributable to the decrease in share-based compensation expenses and staff costs.

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

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
Share-based compensation expenses	**11,716**	66,597
Staff costs	**25,160**	30,881
Costs of raw materials and consumables used	**11,857**	12,314
Third-party contracting costs	**17,135**	17,833
Depreciation and amortization	**4,386**	3,130
Others	**11,979**	6,848
Total	**82,233**	137,603

Administrative Expenses

Our administrative expenses primarily consist of (i) share-based compensation expenses; (ii) staff costs, including salaries, bonus and welfare for administrative personnel; (iii) professional service fees incurred primarily in relation to recruitment, legal and accounting services; (iv) depreciation and amortization; and (v) travelling and transportation expenses. For the six months ended June 30, 2023 and the Reporting Period, we recorded share-based compensation expenses of RMB55.5 million and RMB2.6 million, respectively, under our administrative expenses.

Our administrative expenses decreased from RMB82.1 million for the six months ended June 30, 2023 to RMB35.3 million for the Reporting Period. The decrease was primarily attributable to the decrease in share-based compensation expenses.

The following table sets forth a breakdown of our administrative expenses for the periods indicated:

	Six months ended June 30,	
	2024	2023
	RMB'000	*RMB'000*
Share-based compensation expenses	**2,556**	55,531
Staff costs	**17,667**	11,907
Professional service fees	**5,795**	5,283
Depreciation and amortization	**2,185**	2,657
Traveling and transportation expenses	**1,739**	1,912
Utilities and office expenses	**498**	393
Others	**4,851**	4,454
Total	**35,291**	82,137

Other Expenses

Our other expenses mainly consist of impairment and disposals of property, plant and equipment, write-down of inventories, impairment of other receivables, and others.

Our other expenses increased from RMB0.2 million for the six months ended June 30, 2023 to RMB5.1 million for the Reporting Period. The increase was primarily attributable to the increase in impairment of property, plant and equipment and the write-down of inventories.

Finance Costs

Our finance costs mainly consist of lease liabilities and borrowings from Shareholders.

Our finance costs increased from RMB68,000 for the six months ended June 30, 2023 to RMB141,000 for the Reporting Period. The increase was primarily attributable to the increase in finance costs on lease liabilities.

Income Tax Expenses

We did not incur any income tax expenses during the Reporting Period.

Loss for the Period

Based on the factors described above, our net losses amounted to RMB178.2 million and RMB105.8 million for the six months ended June 30, 2023 and the Reporting Period, respectively.

Working Capital

Our primary uses of cash relate to the R&D of our product candidates and capital expenditures. Our net cash used in operating activities was RMB107.4 million for the six months ended June 30, 2024, primarily due to R&D expenses and administrative expenses we incurred during the Reporting Period. Our operating cash flow will continue to be affected by our R&D expenses. During the Reporting Period, we primarily funded our working capital requirements through capital contributions from our Shareholders. We monitor and maintain a level of cash and cash equivalents deemed adequate to finance our operations and mitigate the effects of fluctuations in cash flows. Going forward, we believe our liquidity requirements for conducting our R&D activities and realizing the commercialization of our product candidates, as well as supporting our future expansion plans will be satisfied by using funds from a combination of our cash and bank balances and other funding sources as we believe appropriate.

Our net cash used in investing activities was RMB58.4 million for the Reporting Period, primarily due to the bank deposits with maturity over one year and purchase of items of property, plant and equipment, partially offset by the proceeds from disposal of financial assets at fair value through profit or loss.

Our net cash used in financing activities was RMB48.4 million for the Reporting Period, primarily due to the repurchase of Shares by the Company partially offset by the proceeds from new bank loans and loans from Shareholders.

As of June 30, 2024, we had cash and cash equivalents of RMB714.3 million, representing an increase of 1.9% compared to RMB701.1 million as of June 30, 2023.

Capital Expenditure

We regularly incur capital expenditures to expand our operations, upgrade our facilities, enhance our development capabilities and increase our operating efficiency. Our capital expenditures primarily consisted of expenditures on properties, machinery and office equipment. We expect our main sources of funding for capital expenditure in 2024 to be from bank and other borrowings, net proceeds from the Global Offering, and capital contributions from our Shareholders.

Our capital expenditures decreased from RMB43.6 million for the six months ended June 30, 2023 to RMB21.5 million for the Reporting Period. The decrease was primarily attributable to the decrease in capital expenditures of property, plant and equipment.

Key Financial Ratios

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

	As of June 30,	
	2024	2023
	RMB'000	*RMB'000*
Current ratio[(1)]	**17.1**	15.2
Quick ratio[(2)]	**16.6**	14.9
Gearing ratio[(3)]	**9.0%**	4.5%

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%.

Indebtedness

As of June 30, 2024, we had total bank and other borrowings of RMB51.2 million denominated in RMB at floating interest rates, of which RMB15.8 million is secured, as compared to RMB10.7 million bank borrowings as of June 30, 2023.

Our lease liabilities increased from RMB3.1 million as of June 30, 2023 to RMB5.7 million as of June 30, 2024, primarily due to new lease agreements entered into by the Group during the Reporting Period.

Pledge of Assets

As of June 30, 2024, certain leasehold land with a carrying amount of RMB24.6 million was pledged to secure the bank borrowings of RMB15.8 million.

Contingent Liabilities

As of June 30, 2024, the Group did not have any material contingent liabilities.

Significant Investments, Material Acquisitions and Disposals

During the Reporting Period, the Group did not hold any significant investments and we did not conduct any material acquisitions or disposals. Save as disclosed in the Prospectus, the Group does not have any specific plan on material investments or capital assets as of the date of this announcement.

Foreign Exchange Exposure

During the Reporting Period, we mainly operated in mainland China and a majority of our transactions were settled in RMB, the functional currency of our Company. We are exposed to foreign currency risk mainly arising from exchange rate fluctuations of U.S. dollars against RMB. 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.

USE OF PROCEEDS FROM THE GLOBAL OFFERING

On October 10, 2022, the Company was successfully listed on the Stock Exchange. The net proceeds received by the Group from the Global Offering (after deducting underwriting fees and relevant expenses) amounted to approximately HK$206.4 million. The Company will apply such net proceeds in accordance with the purposes as set out in the Prospectus.

The table below sets out the planned applications of the net proceeds from the Global Offering and actual usage as at June 30, 2024:

Use of proceeds	Percentage of total net proceeds	Allocation of net proceeds *(HK$ million)*	Unutilized net proceeds as of December 31, 2023 *(HK$ million)*	Utilized net proceeds during the Reporting Period *(HK$ million)*	Unutilized net proceeds as of June 30, 2024 *(HK$ million)*	Expected timeline for utilization of unutilized net proceeds
To fund the R&D, manufacturing and commercialization of LuX-Valve and Ken-Valve	65.0%	134.1	125.7	4.9	120.8	December 31, 2026
To fund the R&D, clinical trials and product registration of other product candidates in our pipeline, including LuX-Valve Plus, KenFlex and mitral valve products	25.0%	51.6	32.9	4.1	28.8	December 31, 2026
Working capital and general corporate purposes	10.0%	20.7	10.4	0.4	10.0	December 31, 2025
Total	100%	206.4	169.0	9.4	159.6	–

The expected timeline for utilizing the net proceeds from the Global Offering is based on the best estimation of future market conditions made by the Company and subject to changes in accordance with our actual business operation.

INTERIM DIVIDEND

The Board did not recommend the payment of an interim dividend for the Reporting Period (for the six months ended June 30, 2023: Nil).

EVENTS AFTER THE REPORTING PERIOD

There is no material subsequent event undertaken by the Company or by the Group after the Reporting Period and up to the date of this announcement.

CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability.

The Company has adopted the CG Code contained in Appendix C1 to the Listing Rules as its own code of corporate governance. During the Reporting Period, the Company has complied with all applicable code provisions of the CG Code save and except for the following deviation from code provision C.2.1 of the CG Code.

Under paragraph C.2.1 of the Corporate Governance Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Although such appointment is not consistent with such paragraph C.2.1, Mr. Lv is our chairman of the Board and the chief executive officer of our Company. With extensive experience in the medical devices industry and having served in our Company since January 2013, Mr. Lv is in charge of the overall management of business operation, strategy and corporate development of our Group. Our Board considers that vesting the roles of chairman and general manager in the same person is beneficial to the management of our Group.

The balance of power and authority is ensured by the operation of our Board, our independent non-executive Directors, our Supervisors and our senior management, which comprises experienced and visionary individuals. Our Board currently comprises two executive Directors (including Mr. Lv), four non-executive Directors and three independent non-executive Directors, and therefore has a strong independence element in its composition. The Board will continue to review the effectiveness of the corporate governance structure of the Group in order to assess whether separation of the roles of the chairman and the chief executive officer is necessary.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code contained in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors and Supervisors. Having made specific enquiries with all Directors and Supervisors, each of them has confirmed that he/she has complied with the Model Code during the Reporting Period. No incident of non-compliance of the Model Code by relevant officers and the employees who are likely to be in possession of inside information of the Company was noted by the Company.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the Reporting Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities. The Company does not have any treasury shares (as defined under the Listing Rules) as at June 30, 2024.

REVIEW OF INTERIM RESULTS

The Board has established the Audit Committee which comprises three independent non-executive Directors, namely Ms. DU Jiliu, Dr. LIN Shoukang and Dr. MEI Lehe. Ms. DU Jiliu serves as the chairperson of the Audit Committee, who has the professional qualification and experience in financial matters in compliance with the requirements of the Listing Rules. The primary duties of the Audit Committee are to provide an independent view of the Company's financial reporting process, internal control and risk management system, oversee the audit process and perform other duties and responsibilities as assigned by the Board.

The Audit Committee, together with the management of the Company, has considered and reviewed the Group's interim results for the Reporting Period and the accounting principles and policies adopted by the Company and discussed internal control and financial reporting matters, and is of the view that the interim results of the Group is prepared in accordance with applicable accounting standards, rules and regulations and appropriate disclosures have been duly made. The interim results has not been reviewed by the external auditor of the Company.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.jenscare.com), respectively. The 2024 interim report of the Company containing all the information required by the Listing Rules will be made available on the above websites in due course.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings.

"Audit Committee"	the audit committee of the Board
"Board of Directors" or "Board"	the board of Directors
"CE Certificate"	Conformité Européenne, 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 contained in Appendix C1 to the Listing Rules
"China" or "PRC"	the People's Republic of China, which, for the purpose of this announcement and for geographical reference only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan, the PRC

"Company" or "our Company"	Jenscare Scientific Co., Ltd. (寧波健世科技股份有限公司), a joint stock company incorporated in the PRC with limited liability on 23 March 2021, or, where the context requires (as the case may be), its predecessor Ningbo Jenscare Biotechnology Co., Ltd. (寧波健世生物科技有限公司), a limited liability company established in the PRC on 8 November 2011
"Controlling Shareholders"	has the meaning ascribed to it under the Listing Rules and in this context, refer to the concert parties, Mr. Lv and Ms. Li Hui
"Core Product(s)"	LuX-Valve, Lux-Valve Plus and KenValve, the designated "core products" as defined under Chapter 18A of the Listing Rules
"Directors"	the directors of the Company or any one of them
"Domestic Share(s)"	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in RMB and are unlisted Shares which are currently not listed or traded in any stock exchange
"Global Offering"	the global offering of the H Shares, details of which are set forth in the Prospectus
"Group", "our Group", "our", "we", or "us"	the Company and all of 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 Shares"	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 to be subscribed for and traded in Hong Kong dollars and which are listed on the Stock Exchange
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong dollars", "HK dollars" or "HK$"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong

"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange (as amended, supplemented or otherwise modified from time to time)
"Model Code"	the "Model Code for Securities Transactions by Directors of Listed Issuers" set out in Appendix C3 to the Listing Rules
"Mr. Lv"	Mr. LV Shiwen (呂世文), the chairman of the Board, an executive Director, the chief executive officer and the chief technology officer of our Company, and one of our Controlling Shareholders
"NMPA"	the National Medical Product Administration of the PRC* (中國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)
"Prospectus"	the prospectus of the Company dated September 23, 2022
"R&D"	research and development
"Reporting Period"	the six months ended June 30, 2024
"RMB"	Renminbi, the lawful currency of the PRC
"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
"Supervisors"	the member(s) of the Company's board of supervisors
"United States" or "U.S."	the United States of America, its territories, its possessions and all areas subject to its jurisdiction, any State of the United States, and the District of Columbia
"Unlisted Foreign Share(s)"	ordinary share(s) issued by the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid for in currency other than RMB by foreign investors and are not listed on the Stock Exchange
"Unlisted Share(s)"	Domestic Shares and Unlisted Foreign Shares

"US$"	United States dollars, the lawful currency of the United States
"%"	per cent

By order of the Board
Jenscare Scientific Co., Ltd.
Mr. LV Shiwen
Chairman and Executive Director

Hong Kong, August 27, 2024

As at the date of this announcement, the board of directors of the Company comprises Mr. LV Shiwen and Mr. PAN Fei, as executive Directors; Mr. TAN Ching, Mr. ZHENG Jiaqi, Ms. XIE Youpei and Mr. CHEN Xinxing, as non-executive Directors; and Dr. LIN Shoukang, Ms. DU Jiliu and Dr. MEI Lehe, as independent non-executive Directors.

* *For identification purposes only*