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HANGZHOU TIGERMED CONSULTING CO., LTD.
杭州泰格醫藥科技股份有限公司

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

(Stock Code: 3347)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2025

FINANCIAL HIGHLIGHTS

	For the six months ended June 30,		
	2025	2024	Change[2]
	RMB million	*RMB million*	
	(Unaudited)	(Unaudited)	
Operating results			
Revenue	**3,250.4**	3,358.2	(3.2%)
Gross Profit	**978.0**	1,333.0	(26.6%)
Net profit attributable to the owners of the Company	**383.3**	492.8	(22.2%)
Net profit attributable to shareholders of the listed company after deducting extraordinary gain or loss[1]	**210.7**	640.3	(67.1%)
Profitability			
Gross Profit Margin	**30.1%**	39.7%	(9.6%)
Margin of net profit attributable to the owners of the Company	**11.8%**	14.7%	(2.9%)
Margin of net profit attributable to shareholders of the listed company after deducting extraordinary gain or loss[1]	**6.5%**	19.1%	(12.6%)
Earnings per share (RMB)			
– Basic	**0.45**	0.57	(21.1%)
– Diluted	**0.45**	0.57	(21.1%)

Notes:

(1) Non-CASBE measure. Please refer to "Non-CASBE Measure" for details.

(2) Changes in percentage points for ratios.

The Board resolved not to declare any interim dividend for the six months ended June 30, 2025 (June 30, 2024: nil).

The Board of Hangzhou Tigermed Consulting Co., Ltd. (杭州泰格醫藥科技股份有限公司) is pleased to announce the unaudited consolidated interim results of the Group for the six months ended June 30, 2025, together with comparative figures for the six months ended June 30, 2024.

The Board also wishes to notify Shareholders and potential investors of the Company that all financials of the Reporting Period and the Corresponding Period are prepared in accordance with CASBE except for those specifically noted otherwise.

MANAGEMENT DISCUSSION AND ANALYSIS

1. The Management's Discussion and Analysis on Operations of the Group during the Reporting Period

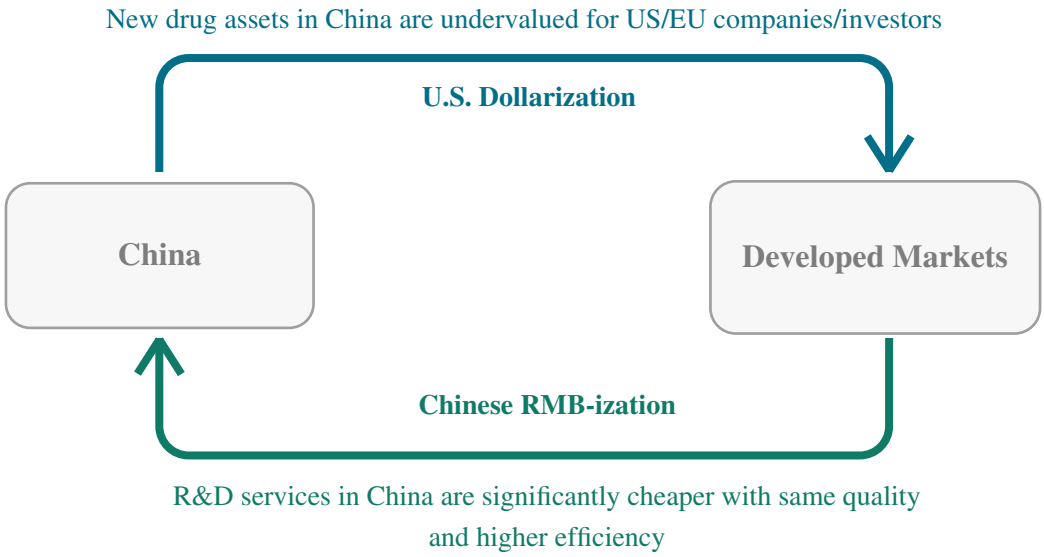
In the past few years, both domestic and international environments have undergone profound and complex transformations. Influenced by the interplay of the global macroeconomic cycle, the development cycle of biopharmaceutical industry, domestic economic, and industrial and policy cycles, the demand for R&D in the domestic biopharmaceutical industry has exhibited significant volatility. Some of our clients have experienced a notable shift in their risk appetite for biopharmaceutical R&D, while others, particularly those that have not yet achieved profitability and rely heavily on external financing, are encountering substantial cash flow pressures. These factors contribute to heightened competitive intensity and growth challenges within clinical research outsourcing services and related industries.

Since 2015, China's biopharmaceutical industry has experienced rapid growth. A decade ago, the industry was dominated by generic drugs, with innovative medicines almost entirely dependent on imports. Today, China's biopharmaceutical sector has transformed to be absolutely led by innovation, featuring a complete R&D and manufacturing industry chain and an innovation capacity that ranks among the global forefront. Against the backdrop of this rapid industry development, some earlier-stage R&D pipelines have become mismatched with the current phase of the industry, which has affected some of our clients. Of course, as China's biopharmaceutical industry advances to a globally leading level, more high-quality R&D projects have emerged that are in lockstep with, or even ahead of, global cutting-edge R&D progress. Such projects will become the norm in the future and are the key focus for our business development team's new order acquisition efforts.

As China's biopharmaceutical R&D capabilities have ascended to a world-leading level, which is driven by factors such as continuous optimization of regulatory policies, further improvement of the industry ecosystem, and the gradual recovery of the domestic economic cycle, the Chinese domestic biopharmaceutical industry's R&D innovation continues to achieve breakthroughs. The industry is welcoming numerous groundbreaking "innovation outputs," and the "going global" trend is becoming increasingly evident. This vitality is demonstrated by everything from the concentrated approval of multiple innovative drugs for market to the impressive clinical data presented by Chinese companies on top-tier international academic arenas.

In the first half of 2025, driven by a patient-centric and clinical value-oriented approach, China's innovative drug R&D remained active and its innovation capabilities were further upgraded. Both the quality and quantity of the innovative drug pipeline have ranked among the top in the world. In the first half of 2025, a total of 38 Class I new drugs were approved by NMPA, a record high for the same period. For the full year of 2024, 48 Class I new drugs were approved. During the same period, the Center for Drug Evaluation ("**CDE**") of NMPA announced 1,001 clinical trials for innovative drugs, compared to 1,858 clinical trials for innovative drugs for the full year of 2024. China is the highest contributor to the pipelines for the world's most popular cutting-edge new drug targets, with its pipeline share exceeding 50% for 18 of the top 20 targets. At the 2025 American Society of Clinical Oncology ("**ASCO**") Annual Meeting, 73 studies from China were selected for oral presentations, a 30% increase from 2024. In 2024, among Investigational New Drug ("**IND**") applications approved by the U.S. FDA, those from China accounted for over 50% and the number of new drugs in development in China has jumped to the second place globally.

In previous Management Discussion and Analysis, we predicted that China's innovative drug assets would become core assets for global pricing and that their value would significantly rebound. As of the first half of 2025, our prediction is gradually becoming a reality. On the global map of pharmaceutical innovation, Chinese innovative drugs are becoming a powerful force that cannot be ignored. From a macro perspective, since the prices of Chinese innovative assets are significantly undervalued compared to European and American markets, it is an inevitable process for these assets to be priced according to global asset standards as their R&D quality reaches a world-leading level.



Meanwhile, in the first half of 2025, clinical trial data from China was, for the first time, substantially replicated in clinical trials in the United States, a significant milestone for China's clinical research industry. This is expected to greatly increase the willingness of global pharmaceutical companies and overseas biotechnology firms to conduct clinical research, especially early-stage Proof-of-Concept (PoC) studies, in China. China's efficient and economical clinical research capabilities are poised to empower global R&D pipelines.

At a time when Chinese innovative assets are still considered undervalued by global asset holders, acquiring the overseas rights to these assets has become a highly popular transaction. Simultaneously, to address future global market competition, patent expirations, and pressure to cut R&D costs, while continuing to create value for shareholders, multinational pharmaceutical companies are also actively seeking mergers and acquisitions ("**M&A**") and licensing opportunities worldwide. Propelled by the resonance of these dual factors, the value of overseas licensing deals for Chinese innovative drugs has repeatedly reached new highs. According to data from PharmaCube (a Chinese pharmaceutical big data service platform), in the first half of 2025, upfront payments from domestic companies' outbound licensing deals reached USD2.784 billion, up 211% YoY, with the potential total deal value reaching USD61.718 billion, up 140% YoY. The number of transactions was 82, up 75% YoY. Notably, innovative pharmaceutical companies such as 3SBio, Hengrui Medicine, and CSPC Pharmaceutical Group have secured a series of blockbuster deals with large upfront payments, becoming highlights in the "going global" journey of Chinese innovative drugs. The continued rise in the value of domestic innovative drug licensing deals is sufficient proof of the recognition of the quality assets and independent R&D capabilities of Chinese biotechnology by overseas pharmaceutical companies, and it also indirectly validates the global competitiveness of Chinese domestic pharmaceutical companies.

The vibrancy of outbound licensing transactions has, to some extent, alleviated the cash flow pressures faced by some not-yet-profitable clients that rely on external financing; innovative drug companies can monetize parts of their pipelines. On the other hand, by collaborating with overseas pharmaceutical companies and leveraging their international clinical resources and distribution networks, they can accelerate the approval and commercialization of their pipelines and achieve "self-sustainability" more quickly. Since the beginning of 2025, along with the active outbound licensing landscape, the recovery of capital markets and improved liquidity, and a gradual increase in M&A cases within the industry, the exit mechanism for China's primary market for the innovative drug industry has been optimized, and investment and financing activities in the primary market are also gradually recovering.

In our view, the triple drivers of policy, technology, and capital will be the core elements for China's innovative drug sector to enter a stage of high-quality development. China continues to deepen reforms to promote the high-quality development of the pharmaceutical industry. In recent years, the Chinese Government has successively introduced major reform measures concerning the review and approval system and strengthening drug regulatory capacity, supporting the entire chain of innovative drug development. Such initiatives have effectively improved review and approval efficiency and vigorously promoted the accelerated launch of new and better drugs to better meet the clinical medication needs of the people.

China's 2025 Government Work Report further clarified the need to improve the drug price formation mechanism, formulate an innovative drug catalog, and support the development of innovative drugs and medical devices. In January 2025, National Healthcare Security Administration of the PRC ("**NHSA**") stated it would research and introduce a series of policy measures, including broadening payment channels for innovative drugs and exploring the establishment of a "Category C" drug catalog, to further increase support for innovative medicines. On June 16, 2025, the NMPA released the Announcement on Matters Related to Optimizing the Review and Approval of Clinical Trials for Innovative Drugs (Draft for Comments), which proposes to complete the review and approval process for qualifying innovative drug clinical trial applications within 30 working days, further shortening the market-launch cycle for an innovative drug. On July 1, 2025, the NHSA, jointly with the National Health Commission of the PRC ("**NHC**"), issued the Circular on Several Measures to Support the High-Quality Development of Innovative Drugs. These measures focus on the prominent challenges facing the development of innovative drugs in China, providing 16 specific measures across five major areas: strengthening R&D support for innovative drugs, supporting the inclusion of innovative drugs into the National Health Insurance Catalogue and the National Catalogue of Innovative Drugs Covered by Commercial Health Insurance, encouraging clinical application, enhancing multi-channel payment capacity for innovative drugs, and strengthening organizational guarantees for innovative drugs.

The issuance of this document will help build a new, clinical value-oriented paradigm for R&D of innovative drugs, stimulate the vitality of innovative drug R&D, and better match clinical treatment needs.

Since 2022, the competition in China's clinical research outsourcing industry has intensified. By the end of 2024, some small and medium-sized clinical CROs had begun to scale back, showing a trend of gradual optimization on the supply side. With the gradual recovery of the Chinese domestic biopharmaceutical industry, the demand for clinical research outsourcing services has showed a recovery. Since 2025, customers' enthusiasm for early inquiries has increased significantly. Meanwhile, as the demand for pharmaceutical companies of China to expand overseas increases, clinical CROs with global service capabilities have a competitive advantage. The record high down payment in license-out transactions obtained by domestic biopharmaceutical companies in the first half of 2025 provides financial security for a new round of R&D. At the same time, the recovery of investment and financing in the primary market and the cash flow generated from new drug sales are expected to bring about growth of long-term clinical demand.

Research and development activities in high-demand therapeutic areas in domestic and worldwide markets remained highly active, such as weight loss, cell and gene therapies, and innovative anti-tumor therapies (including antibody-drug conjugates ("**ADC**"), bispecific antibodies, and novel small molecule drugs). Several new domestically produced drugs have achieved leading positions in various indications within China and have begun to make significant breakthroughs in global markets. Driven by emerging technologies and R&D tools, enterprises with differentiated target portfolios (e.g., companies with bispecific/ADC platform capabilities), high clinical development efficiency (e.g., those employing innovative clinical research models and real-world evidence to accelerate regulatory review), and strong globalization and business development capabilities continued to capture significant attention from both markets and investors. The domestic biopharmaceutical industry is gradually shifting from "scale expansion" to "value creation," entering a phase of high-quality innovation.

Technological innovation serves as a critical driver in propelling the industry's transformation and upgrading. Recently, new technologies such as artificial intelligence ("**AI**"), digitalization, and decentralized clinical trials ("**DCT**") have been rapidly applied in clinical R&D, substantially enhancing efficiency and quality while lowering costs. Simultaneously, breakthroughs in cutting-edge biotechnologies in areas such as gene editing, vaccine development, and personalized medicine have continued to make breakthroughs, bringing new hope to patients worldwide. With the steady rise in living standards in China and the ongoing deepening of population aging in developed markets, the demand for innovative therapies is anticipated to grow consistently. Additionally, the gradual development of emerging markets in Southeast Asia, Africa, and countries of the

Belt and Road Initiative also presents significant growth potential for the industry. As a result, the biopharmaceutical industry continues to demonstrate robust momentum for sustainable development.

At the same time, the application of AI is also impacting the processes and methods of clinical trials, bringing efficiency improvements and cost optimization, which will drive the innovation of existing service models for clinical CROs. Breakthroughs in generative AI have also significantly increased the willingness of participants across all segments of the biopharmaceutical and clinical research fields to use AI. In the future, as digitalization and intelligent technologies empower innovation, the application of AI will increase substantially. Clinical trial cycles are expected to be shortened, and high-quality data assets (such as high-quality structured datasets, including annotated medical images, multi-omics data, etc.) will have a very high application value.

During the Reporting Period, the Company actively responded to industry cycles and structural changes, continuing to maintain its leading position in China's clinical research outsourcing industry. According to Frost & Sullivan, the Company maintained its leading position in the Chinese clinical outsourcing service market with a 10.6% market share in 2024. It is also the only Chinese clinical outsourcing service provider to enter the global top ten, with a global market share of 1.1% in 2024. In the first half of 2025, the Company provided services for 26 approved Chinese Class I new drugs.

During the Reporting Period, the Company continued to deepen its global presence and service capabilities, consistently expanding its overseas business and accelerating the pace of internationalization. In July 2025, the Company announced the acquisition of Micron Inc. ("**Micron**"), a Japanese CRO. Micron was founded in 2005 and is headquartered in Tokyo, Japan, with offices in Osaka and Nagoya and over 160 employees. Micron specializes in medical imaging and clinical trial services. As the first CRO in Japan to focus on medical imaging analysis, Micron owns one of the largest imaging specialist teams in Asia and its team of imaging specialists has served over 250 clients and contributed to the successful launch of over 40 products. In 2024, Micron was shortlisted for the Best CRO in Japan award. This acquisition will bring a mature local Japanese team to the Company, expand its client base in Japan and the Asia-Pacific region, and enhance its business capacity and industry influence in imaging analysis.

During the first half of 2025, the Company's overseas clinical CRO business in revenue, and profit continued to grow rapidly. As of the end of the Reporting Period, the number of single-region clinical trials conducted by the Company overseas (primarily in the United States, Australia, and South Korea) was 194, and the Company was conducting 43 international MRCT, with cumulative experience across 150 MRCT projects.

As of the end of the Reporting Period, the Company's U.S. team has nearly 200 people, covering 68 cities in 27 states. There were more than 40 ongoing clinical trials in the U.S. region, and during the first half of 2025, 5 clinical trial projects were newly conducted in this region. The team of the Company in the EMEA region exceeds 160, having collectively executed over 210 Phase I-IV clinical trials in these regions. In the Japan and Korea region, the Company's Korean team has more than 450 people and has completed over 2,600 clinical trials and related service projects. Following the acquisition of Micron in Japan in July 2025, the number of employees of the Company in Japan exceeds 200, possessing full-process clinical service capabilities including clinical operations, regulatory affairs, medical imaging, data management and EDC, and pharmacovigilance, etc. The Company's Southeast Asia team has over 70 people with experience in conducting over 100 Phase I-IV clinical trials. In Australia, the Company has over 40 experienced local project managers ("**PM**"s) and clinical research associates ("**CRA**"s) who have conducted over 70 Phase I clinical trials in Australia. In Africa, the Company is collaborating with local institutions and organizations such as Purpose Africa and Africare to empower the go-global efforts for Chinese medical and pharmaceutical products and expand clinical study business in Africa. Looking forward, the Company will continue global business expansion through team growth or potential M&A as it aims to achieve overseas business growth and enhance the synergy of clinical operations, build differentiated competitive advantages in Europe, North America, and emerging regional markets, strengthen local clinical trial operational capabilities, gradually enhance its global operational capacity, and help clients go global, serving as a bridge and link for the internationalization of innovative products.

During the Reporting Period, the Company continued to seek mutually beneficial external partnerships with various participants in the healthcare industry to promote collaboration. It has built an integrated research center service platform that includes site management, institutional services, Good Clinical Practice center operations, and patient management, etc. In China, the E-site Excellence Centers have established a diversified and deep win-win strategic cooperation model with 300 key partner centers/sites and 98 green-channel centers, as well as having completed the construction of 8 jointly-built centers. During the Reporting Period, an integrated research center service platform has been developed, encompassing on-site management, institutional services, Good Clinical Practice center operations, and subject management.

We consider the development and application of digital and intelligent technologies as a key part of its growth strategy. The Company's Intelligent Research Institute is fully responsible for the promotion and implementation of the group's digitalization and intelligence strategy. In the first half of 2025, the Company established a data governance team to vigorously advance data governance efforts. It has successively launched multiple digital products for customer management, project operations, and personnel management, effectively advancing digital management. For the current year, the plan is to fully implement the Company's data governance work, establish data standards, cleanse historical data, and integrate AI technology to further enhance the level of digitalization. During the Reporting Period, the Digital Center developed and launched a desensitization tool based on Large Language Models ("**LLM**"). This tool efficiently processes specified sensitive information in PDF scans common in clinical research, achieving a high key technical parameter F1 SCORE of 0.919, which has been highly recognized by clients. In the second half of the year, this module is planned to be further improved in accuracy and expanded in applicable scenarios to be launched as a Tigermed AI product. The Company has integrated the E-Site System and Site Payment System to form a central site information management platform, connecting site fee data to create a closed loop for site fee data flow. This provides accurate site fee information for business bidding. In 2025, the Company plans to fully promote site cost control, connect all channels for site information collection, and conduct unified governance and management to provide timely, accurate, and valuable site information to business departments.

Going forward, we will continue to invest in digital and intelligent technologies, expand its pool of professionals in these areas, strive for further AI breakthroughs, and expand the application scope of AI within the Company while ensuring high-quality compliance. These efforts aim to enhance business efficiency, unlock new business opportunities, and further solidify the Company's industry position. As a global medical R&D empowerment platform, the Company is committed to contributing Tigermed solutions to the world, promoting its corporate vision "To be recognized as the leading global CRO" and its brand proposition of a "Passion for Innovation." Through a diversified, equitable, and inclusive corporate culture, the Company strives to ensure that talents from different countries, cultures, and backgrounds receive equality and support in the workplace, enabling every employee to better realize their value and gain a true sense of belonging. The Company actively fulfills its social responsibilities and continues to make progress in ESG management. From July 2022 to the present, the Company has maintained the highest AAA rating in the Shenzhen Stock Exchange Guozheng ESG ratings and maintained an AA rating in the MSCI ESG ratings in 2024. In August 2025, the Company earned an AAA rating in the MSCI ESG ratings, the highest rating.

As of the end of the Reporting Period, the Company had a total of 10,251 employees worldwide, covering 33 countries, including more than 1,700 overseas employees. There are over 1,000 professional clinical research associates ("**CRA**"), over 3,700 professional clinical research coordinators ("**CRC**"), more than 850 professionals in data management and statistical analysis, and over 1,800 staff in the laboratory services team. Below is a breakdown of our employees by function and by region as of June 30, 2025:

	Number of employees				
Function	**PRC**	**Asia Pacific (excluding PRC)**	**Americas**	**EMEA**	**Total**
Project operation	7,663	510	834	91	9,098
Marketing and business development	456	42	65	12	575
Management and administration	423	39	104	12	578
Total	8,542	591	1,003	115	10,251

Looking ahead, we will continue to embrace regulatory reform, technological innovation, and global expansion and will continue to enhance and build an integrated clinical R&D service platform, improving its end-to-end one-stop service capabilities. The Company will establish dedicated business teams in specific therapeutic areas and continuously expand business with multinational pharmaceutical companies and large domestic pharmaceutical clients. Through sustainable growth and potential acquisitions, the Company aims to enhance its business development and operational capabilities in the United States, Europe, and other regions. At the same time, the Company will strengthen mutually beneficial collaborative relationships with industry stakeholders, further consolidate its advantageous position in the domestic market, increase its global market share, and strive for sustainable business development and performance growth, continuously creating returns for shareholders.

Revenue

During the Reporting Period, the Company's revenue was RMB3,250.4 million, down 3.2% YoY from RMB3,358.2 million during the same period in 2024. Wherein, revenue from CTS was RMB1,469.5 million, down 10.2% YoY from RMB1,637.1 million during the same period in 2024; Revenue from CRLS was RMB1,780.9 million, up 3.5% YoY from RMB1,721.1 million during the same period in 2024.

From a geographical perspective, the Company's revenue generated in the Chinese Mainland was RMB1,697.9 million, down 9.2% YoY from RMB1,870.4 million during the same period in 2024. The YoY decline in domestic revenue was primarily due to a slide in domestic revenue from the CTS segment in the first half of 2025, the specific reasons for which are detailed in the analysis by segment below.

The Company's overseas revenue was RMB1,552.5 million, up by 4.4% YoY from RMB1,487.8 million during the same period in 2024. This growth was primarily driven by the Company's ongoing efforts to deepen its global presence and enhance service capabilities, expand overseas operations, accelerate internationalization, and the sustained rapid expansion of its overseas clinical trial services business.

(1) CTS

During the Reporting Period, revenue from CTS was RMB1,469.5 million, down 10.2% YoY from RMB1,637.1 million during the same period in 2024. The main reasons for the YoY decline in revenue for the CTS segment are as follows: i) A YoY slide in revenue from domestic innovative drug clinical operations. This was mainly due to industry cycles and structural changes. The value of the Company's backlog of domestic innovative drug clinical operations orders as of the end of 2024 had decreased compared to previous years, leading to an overall reduction in the workload for executed domestic innovative drug clinical trials in the first half of 2025; ii) Meanwhile, influenced by the domestic industry's competitive landscape since 2023, the average unit price of newly signed domestic clinical operations orders has declined. This led to a corresponding reduction in revenue generated for an equivalent amount of work when executing these orders in the first half of 2025; iii) During the Reporting Period, some of the Company's domestic innovative drug clinical operations orders were canceled. Concurrently, other orders were proactively terminated by the Company due to significant payment collection pressure arising from clients' funding issues. These orders mainly came from existing domestic start-up biotechnology companies that rely on external financing, which had a certain negative impact on the segment's revenue. For these projects, the Company's main focus during the Reporting Period was to collect service fee payments to the greatest extent possible. Through our efforts, we achieved some results, and the Company's operating cash flow in the first half of 2025 improved significantly YoY. As legacy projects are gradually cleared, the industry recovers, and front-end demand picks up, we expect the domestic innovative drug clinical operations business to bottom out and gradually improve.

During the Reporting Period, the Company's overseas clinical operations business continued to exhibit a relatively fast growth trend, with clinical operations revenue in North America continuing its rapid growth. A substantial increase in newly signed orders is expected to contribute to growth in the second half of this year. During the Reporting Period, benefiting from the recovery in front-end demand, especially for domestic and overseas IND-related needs, the clinical registration business within the segment showed a marked recovery, with revenue growing over 20% YoY, a growth trend that is expected to continue.

During the Reporting Period, despite being affected to some extent by Chinese domestic industry development and cycles, which led to a decrease in the average unit price of executed projects, the medical device and pharmacovigilance businesses within the segment continued to achieve growth in the first half of 2025, thanks to more diversified business demand, including from multinational pharmaceutical companies. The growth of these businesses partially offset the impact brought by the domestic clinical operations business to the segment during the Reporting Period. Other businesses within the segment, such as medical translation, maintained a relatively stable performance during the Reporting Period.

As of June 30, 2025, the Company had 646 ongoing drug clinical research projects, a decrease from 800 projects as of June 30, 2024, and 831 projects as of December 31, 2024. This was mainly due to a systematic review of existing projects in the first half of 2025, during which old projects with no progress were actively terminated. Some existing projects were also cancelled or actively terminated for client-related reasons mentioned above.

The following table sets forth a breakdown of our ongoing drug clinical research projects by phase as of the dates indicated:

	As of year/period end		
	June 30, 2024	December 31, 2024	**June 30, 2025**
Phase I (including PK studies)	340	331	**276**
Phase II	147	159	**116**
Phase III	192	203	**144**
Phase IV	30	27	**15**
Others[Note]	91	111	**95**
Total	800	831	**646**

Note: Other projects primarily consist of investigator-initiated studies and real-world studies

As of June 30, 2025, 409 ongoing drug clinical research projects were being conducted in the PRC and 237 projects were being conducted overseas of which 194 projects were single-region clinical trials conducted overseas (including South Korea, Australia, Southeast Asia, Europe, and the United States). The 43 ongoing MRCT projects were being conducted across the Asia-Pacific, North America, Europe, and Africa with various therapeutic areas including oncology, respiratory, cardiovascular, endocrine, rheumatology/immunology, infection, rare diseases, and vaccines.

The following table sets forth the breakdown of the number of our ongoing drug clinical research projects conducted in different geographic regions as of the dates indicated:

	As of year/period end		
	June 30, 2024	December 31, 2024	**June 30, 2025**
Region			
Single region			
PRC	537	536	**409**
Overseas	208	233	**194**
MRCTs	55	62	**43**
Total	800	831	**646**

Our decentralized clinical trial (DCT) technologies and platforms have been widely used in registration trials, post-marketing studies, real-world studies, and investigator-initiated studies, covering various areas including oncology, hematology, central nervous system disorders, respiratory, endocrine and other treatment fields. The Company released "The 2024 Research and Analysis Report on the Development Status of the Digital/Decentralized Clinical Trials Industry (2024年數字化/去中心化臨床試驗行業發展現狀調研分析報告)". In the first half of 2025, the mobile version of the Company's self-developed Clinical Trial Remote Monitoring (CTRM) system was officially launched and released to the public. Additionally, the Company is actively exploring the African emerging market, deploying the Tigermed DCT clinical trial platform at the renowned AKTH hospital in Nigeria and collaborating on remote monitoring with ACRN, a Zimbabwean clinical trial organization. During the Reporting Period, 9 new projects had been added.

During the Reporting Period, the Company's medical device team undertook clinical operation services for several first-in-China products and supported the clinical strategy for multiple industry-leading innovative products. It contributed to the successful launch of three innovative medical device products (a cryoablation system, a transcatheter tricuspid valve repair system, and a digestive endoscopy surgical robot). In the first half of 2025, it helped the world's first "AI+" essential tremor treatment device, the Felix™ NeuroAI™ wristband, gain FDA approval. As of June 30, 2025, the Company's medical device team has more than 600 medical device and in vitro diagnostic ("**IVD**") professionals. In the first half of 2025, the device business established a subsidiary in Shenzhen to expand medical device services in the Guangdong-Hong Kong-Macao Greater Bay Area. The Company's medical device clinical service subsidiary, Tigermed-Jyton, was honored with the "Industry Innovation Leadership Award" at the 14th China Finance Summit (CFS) in 2025. During the Reporting Period, the Company completed 67 medical device projects. As of the end of the Reporting Period, there were 588 ongoing medical device projects.

The number of clients served by the Company's registration team increased from 845 at the end of the previous year to 911 at the end of the Reporting Period. The team has completed 1,351 projects in total, assisting one product in marketing in China during the first half of 2025. They also facilitated 1 product in obtaining approval for marketing in China and supported 46 international IND/MRCT applications that were approved in multiple countries. During the Reporting Period, the Company added 29 new U.S. FDA IND projects, 21 of which have received FDA clinical approvals.

During the Reporting Period, the Company continued to strengthen its pharmacovigilance (PV) team, expanding into high value-added areas and building a high-standard team of PV physicians. This business focused more on safety analysis in both clinical and post-marketing pharmacovigilance, enhancing the value contribution of safety monitoring. As of June 30, 2025, the Company's professional PV team had over 190 members, forming an integrated PV solution team with business footprints covering the United States, Europe, Japan, Southeast Asia and China. During the Reporting Period, the Company's PV business added 121 new projects under investigation and 87 new clients, bring the total number of global PV clients to exceed 300, with accumulated experience from over 2,000 projects and participation in 39 Class I new drugs approved in China. In the future, the Company will continue to improve its one-stop global safety PV service solutions and press on with building its team of PV physicians. In addition to focusing on clinical and post-marketing PV-related safety analysis, it will engage more in the analysis and safety assessment of global, multinational safety data.

During the Reporting Period, the Company's medical translation business gained 30 new clients, including 17 pharmaceutical companies and 13 medical device companies, completing a translation volume of approximately 200 million words and becoming a primary supplier for the Asia-Pacific region and a global supplier to several multinational pharmaceutical companies in Europe and the U.S. The Company's self-developed inquiry and discussion platform, "Medical Wisdom Q&A", and the AI-focused "YiYa AI Intelligent Translation Platform" have both been launched for sale. Several AI translation systems, including a translation information management system, a translation data capture system, and machine translation post-editing (MTPE) service management, had been awarded the National Machine Translation Invention Patents. In 2025, the Company's medical translation business was included in CSA Research's List of Global top 50 Language Service Providers for the first time.

(2) CRLS

During the Reporting Period, the Company's revenue from Clinical Trial-Related Services and Laboratory Services was RMB1,780.9 million, up 3.5% YoY from RMB1,721.1 million during the same period in 2024. In the first half of 2025, benefiting from sufficient business demand, especially from orders placed by multinational pharmaceutical companies (MNCs), the Site Management Organization (SMO) business within the segment still achieved good YoY growth. During the same period, the Data Management and Statistical Analysis business within the segment remained relatively stable. Revenue from Laboratory Services saw a slight decrease compared to the same period in 2024, mainly because the business recovery of Frontage Holdings in the United States was slower than expected due to the U.S. industry cycle, and its business in China was negatively impacted by the fierce domestic industry competition. In the first half of 2025, the Medical Imaging business within the segment benefited from increased demand from oncology clinical projects, and its revenue returned to a good growth trend YoY. Other businesses within the segment, such as patient recruitment, were affected to some extent by Chinese domestic industry developments and cycles, and the average unit price of performed projects still saw a YoY decline.

During the first half of 2025, the Company's Site Management Organization (SMO) team completed 215 projects. Newly signed orders continue to achieve double-digit growth year-on-year. As of the end of the Reporting Period, the number of ongoing site management projects increased from 2,253 at the end of 2024 to 2,443. As of the end of the Reporting Period, the on-site management team collaborates with more than 1,100 centers across over 140 cities in China, operating through 15 branch companies and employing over 3,700 professional CRCs. During the Reporting Period, on-site SMO services were provided to 13 Class 1 new drugs approvals in China.

During the Reporting Period, the Company's data management and statistical analysis services attracted more new domestic and international clients. As of the end of the Reporting Period, the total number of global data management and statistical analysis clients exceeded 370, and we provided support to multiple overseas submission standardization projects for drug data of licensed-out products of domestic MAHs. As of the end of the Reporting Period, the Company had 893 ongoing data management and statistical analysis projects, with cumulative experience in over 2,800 Clinical Data Interchange Standards Consortium (CDISC) projects, and boasts a team of over 850 professional data management and statistical analysis talents globally.

During the Reporting Period, Frontage Holdings' bioanalysis lab in Suzhou and its large molecule bioanalysis lab in Shanghai both passed the FDA's on-site inspections with "No Findings". Frontage was recognized as a China High-Quality Technology-based SME and one of the Top 20 Pharmaceutical CRO Companies in China. In May 2025, Frontage Holdings' CDMO R&D and manufacturing facility in Exton, Pennsylvania, USA, officially commenced operations, further expanding the business footprint in this area. This GMP production facility covers approximately 4,300 square meters and includes 9 GMP workshops, as well as 2 drug product development labs and 3 analytical labs. As of the end of the Reporting Period, the number of ongoing laboratory service projects carried out by Frontage Holdings was 4,549.

Our medical imaging (MI) business added 15 new clients. The Company's MI team successfully contributed to the marketing approval of 12 products, 2 of which were approved outside China. In addition to existing areas such as solid tumors, lymphomas, and digestive system diseases, newly signed projects have expanded into the field of medical aesthetics. As of the end of the Reporting Period, the Company's medical imaging (MI) business had accumulated over 140 clients, with project execution stages covering Phase I to IV and Real-World Studies (RWS), and has cumulatively assisted in the approval of marketing authorization for 43 products, and up to 59 projects submitted to NMPA/FDA/EMA/PMDA/Medicines and Healthcare products Regulatory Agency (MHRA) cumulatively.

Gross profit and gross profit margin

During the Reporting Period, the Company achieved a gross profit of RMB978.0 million, down 26.6% YoY from RMB1,333.0 million during the same period in 2024; and the gross profit margin decreased from 39.7% during the same period in 2024 to 30.1%, a substantial YoY decline, which was mainly attributed to a significant YoY drop in the gross profit margin of the CTS segment.

During the Reporting Period, the Company's cost for operations was RMB2,272.5 million, up 12.2% YoY from RMB2,025.2 during the same period in 2024. Below is a breakdown of our cost of services by nature and their percentage of our revenue during the periods indicated:

	For the six months ended June 30,	
	2025	2024
Item	***RMB million***	*RMB million*
Direct labour costs	**1,233.1**	1,141.7
% of revenue	***37.9%***	*34.0%*
Direct project-related costs	**735.3**	638.7
% of revenue	***22.6%***	*19.0%*
Overhead costs	**304.1**	244.8
% of revenue	***9.4%***	*7.3%*
Cost of services	**2,272.5**	2,025.2
% of revenue	***69.9%***	*60.3%*

During the Reporting Period, the Company's direct labour costs as a percentage of our revenue was 37.9%, up from 34.0% during the Corresponding Period, while direct project-related costs as a percentage of our revenue was 22.6% during the Reporting Period, up from 19.0% during the Corresponding Period. The increase in direct labour costs as a percentage of the Company's revenue was mainly due to the decrease in revenue and the increase in number of employees as a result of the Company's global expansion plan. During the Reporting Period, the Company's overhead costs as a percentage of our revenue was 9.4%.

(1) CTS

During the Reporting Period, the gross profit from the CTS segment was RMB335.2 million, down 46.6% YoY from RMB628.0 million during the same period in 2024. The gross profit margin of this segment dropped significantly from 38.4% during the same period in 2024 to 22.8%. The main reasons for the significant YoY decline in the segment's gross profit margin in the first half of 2025 are as follows: i) the average unit price of domestic clinical operations orders executed in the first half of 2025 saw a YoY decline. Consequently, for the same cost base, the corresponding revenue generated from executing these orders decreased. Meanwhile, the Company maintained a stable and professional domestic clinical operations team, ensuring to continue to provide high-quality clinical operations services to clients; and ii) during the Reporting Period, some of the Company's previous domestic innovative drug clinical operations orders were canceled. Concurrently, other orders were proactively terminated by the Company due to significant payment collection pressure arising from clients' funding issues. These orders primarily came from existing domestic start-up biotechnology companies that rely on external financing. This led to a reduction in the revenue from this segment, thereby having a notable impact on the segment's gross profit margin.

During the Reporting Period, the gross profit margins of other businesses within the segment, such as medical devices, medical registration, and medical translation, remained relatively stable. Although these businesses were affected to some extent by Chinese domestic industry development and cycles, which led to a decrease in the average unit price of executed projects, our effective cost control prevented any sharp fluctuations in gross profit margin.

(2) CRLS

During the Reporting Period, the gross profit from the CRLS segment was RMB642.8 million, down 8.8% YoY from RMB705.0 million during the same period in 2024; and the segment's gross profit margin was 36.1%, compared to 41.0% during the same period in 2024. The YoY decrease in the segment's gross profit margin was mainly because the revenue from the site management business grew relatively faster than other businesses within the segment, but its gross profit margin is lower than the segment's overall average.

During the Reporting Period, the profitability of the SMO business within the segment continued to maintain a leading level within the industry. This also benefited from our SMO team performing a greater number of orders from multinational pharmaceutical companies, which are relatively more profitable.

During the same period, the gross profit margin of the Data Management and Statistical Analysis ("**DMSA**") business declined YoY. This was mainly due to an increased proportion of the higher-cost overseas performance team and a rise in the share of domestic business, which has slightly lower profitability. However, the profitability of the Company's DMSA business remains at a high level.

During the Reporting Period, the gross profit margin of Laboratory Services was relatively stable YoY but still has a gap compared to previous healthier levels. The new preclinical research facilities of Frontage Holdings, along with laboratories in China and North America, began operations successively both in 2023 and 2024. The impact from the associated fixed costs generated from these new businesses and facilities on the gross profit margin stabilized in the first half of 2025. In the future, better capacity utilization from new orders is expected to lead to some recovery in the gross profit margin of laboratory services.

During the Reporting Period, the gross profit margin of other business segments, such as medical imaging, remained relatively stable compared to the same period last year.

Selling and Marketing Expenses

Our selling and marketing expenses increased by 6.4% YoY from RMB101.4 million during the Corresponding Period to RMB107.9 million during the Reporting Period. That was primarily due to i) higher compensation for sales and marketing personnel; and ii) increased travel expenses incurred as the Company actively expanded its business. However, this increase was partially offset by a 18.4% YoY decrease in business publicity expenses, due to the increased brand recognition and a corresponding reduction in marketing expenditure.

Administrative Expenses

Our administrative expenses decreased by 5.7% YoY from RMB376.6 million during the Corresponding Period to RMB355.3 million during the Reporting Period. The decrease was primarily due to i) the expiration of the share-based compensation plan at our subsidiary, Frontage, resulting in reduction in such expenses during the Reporting Period compared to the Corresponding Period; and ii) a 15.0% YoY decrease in the amortization of intangible assets from RMB38.9 million during the Corresponding Period to RMB33.1 million during the Reporting Period, primarily resulting from the completed amortization period for certain intangible assets. However, this decrease was partially offset by the increase in office facilities and venue costs of RMB10.2 million during the Reporting Period compared to that during the Corresponding Period.

R&D Expenses

Our R&D expenses increased by 1.8% YoY from RMB124.7 million during the Corresponding Period to RMB127.0 million during the Reporting Period. This increase was primarily driven by moderate growth in staff costs for R&D personnel and higher depreciation and amortization expenses related to R&D fixed assets and intangible assets, reflecting our continued investment during the Reporting Period to advance long-term technology initiatives.

Investment Income

Our investment income increased by 229.6% YoY to RMB233.0 million during the Reporting Period from RMB70.7 million during the Corresponding Period, primarily due to i) a 277.3% YoY rise in the share of profit from associates, reaching to RMB166.4 million during the Reporting Period from RMB44.1 million in the Corresponding Period; ii) investment income on disposal of non-current financial assets, which was RMB21.6 million during the Reporting Period compared to a net loss of RMB6.4 million during the Corresponding Period; and iii) the income generated from negotiable certificates of deposit increased by 93.1% from RMB21.6 million during the Corresponding Period to RMB41.7 million during the Reporting Period.

Changes in Fair Value

During the Reporting Period, changes in fair value improved as we recorded a loss of RMB89.6 million from a loss of RMB98.4 million during the Corresponding Period. This was primarily due to fair value changes of listed equity securities narrowing to a loss of RMB69.3 million during the Reporting Period from a loss of RMB155.0 million during the Corresponding Period. The improvement was offset by the change in fair value changes of unlisted fund investments, which amounting to a loss of RMB126.8 million during the Reporting Period from a loss of RMB34.6 million during the Corresponding Period.

Finance Cost (net)

Our finance costs, net, reversed from a net finance income of RMB16.1 million during the Corresponding Period to a net finance cost of RMB63.3 million during the Reporting Period, primarily due to i) a substantial exchange loss of RMB14.8 million incurred during the Reporting Period, due to the significant fluctuations in the US dollar exchange rate; ii) the maturity of the time deposits, which was mainly resulted in a decrease in the interest income of RMB63.0 million from RMB71.4 million during the Corresponding Period to RMB8.4 million during the Reporting Period. Meanwhile, for the purpose of the treasury management, those matured time deposits were used to repay short-term borrowings.

Income Tax Expense

Our income tax expense decreased by 39.7% from RMB132.5 million during the Corresponding Period to RMB79.9 million during the Reporting Period. Our effective tax rate decreased from 19.2% during the Corresponding Period to 18.0% during the Reporting Period. The change was primarily due to i) the decrease in profit before tax from RMB690.1 million during the Corresponding Period to RMB442.7 million of the Reporting Period; and ii) the increase of our non-taxable income which resulted in a comparatively lower effective tax rate.

Profit for the Period

As a result of the foregoing discussions, our profit for the period decreased by 34.9% from RMB557.6 million during the Corresponding Period to RMB362.8 million during the Reporting Period. The profit attributable to owners of the Company decreased by 22.2% from RMB492.8 million during the Corresponding Period to RMB383.3 million during the Reporting Period.

Non-CASBE Measure

To supplement our financial information which are presented in accordance with CASBE, we prepared net profit attributable to shareholders of the listed company after deducting extraordinary gain or loss (歸屬於上市公司股東的扣除非經常性損益的淨利潤) under the guidance of No. 1 Explanatory Note on Information Disclosure by Companies Offering Securities to the Public – Extraordinary Gains and Losses 2023 Revision (公開發行證券的公司信息披露解釋性公告第1號－非經常性損益2023年修訂) issued by China Securities Regulatory Commission ("**CSRC**"). Net profit attributable to shareholders of the listed company after deducting extraordinary gain or loss is provided as an additional financial measure, which is not required by, or presented in accordance with CASBE and is therefore a non-CASBE measure. It is not an alternative to (i) profit before tax, profit for the period or profit for the period attributable to owners of the Company (as determined in accordance with CASBE) as a measure of our operating performance, (ii) cash flows from operating, investing and financing activities as a measure of our ability to meet our cash needs, or (iii) any other measures of performance or liquidity.

We believe that this non-CASBE measure is useful for understanding and assessing underlying business performance and operating trends, and that the owners of the Company and we may benefit from referring to this non-CASBE measure in assessing our financial performance by eliminating the impact of certain unusual, non-recurring, non-cash and/or non-operating items that we do not consider indicative of the performance of our business. However, the presentation of this non-CASBE measure is not intended to, and should not, be considered in isolation from or as a substitute for the financial information prepared and presented in accordance with the CASBE. The owners of the Company and potential investors should not view the non-CASBE measures on a stand-alone basis or as a substitute for results under the CASBE, or as being comparable to results or a similarly titled financial measure reported or forecasted by other companies.

Our net profit attributable to shareholders of the listed company after deducting extraordinary gain or loss is prepared in accordance with the No. 1 Explanatory Note on Information Disclosure by Companies Offering Securities to the Public – Extraordinary Gains and Losses 2023 Revision. The following table sets out our net profit attributable to shareholders of the listed company after deducting extraordinary gain or loss, and a reconciliation from profit attributable to owners of the Company to net profit attributable to shareholders of the listed company after deducting extraordinary gain or loss for the periods indicated.

	For the six months ended June 30,	
	2025	2024
	RMB million	*RMB million*
Profit attributable to owners of the Company	**383.3**	492.8
Adjusted for:		
Gain on disposal of non-current assets[(1)]	**(0.6)**	(1.5)
Government grants[(2)] included in the profit or loss for the period	**(19.4)**	(17.5)
Gain on entrusting to invest or manage assets	**(41.7)**	(21.6)
Loss/(gain) arising from changes in fair value of financial assets and financial liabilities held and loss/(gain) arising from the disposal of financial assets and financial liabilities[(3)]	**(96.8)**	52.5
Share-based payment expenses recognized at one time due to cancellation or modification of the share incentive schemes	**–**	34.5
Other non-operating income and expenses apart from the above items	**1.6**	0.7
Effect of income tax	**17.0**	33.6
Effect of minority interests (after tax)	**(32.7)**	66.8
Net profit attributable to shareholders of the listed company after deducting extraordinary gain or loss	**210.7**	640.3
Margin of net profit attributable to shareholders of the listed company after deducting extraordinary gain or loss[(4)]	**6.5%**	19.1%

Notes:

(1) Disposal of non-current assets included those already written off in the provision for asset impairment.

(2) Government grants in the extraordinary gain or loss was except for government grants which are closely related to the ordinary business scope of the Company and entitled in defined standard in conformity with the provisions of policies of the State and that have a sustained impact on the Company's profit or loss.

(3) The financial assets and financial liabilities in the extraordinary gain of loss was except for those related to effective hedging business under ordinary business scope of the Company.

(4) The margin of net profit attributable to shareholders of the listed company after deducting extraordinary gain or loss is calculated using the net profit attributable to shareholders of the listed company after deducting extraordinary gain or loss divided by revenue and multiplied by 100%.

Net profit attributable to shareholders of the listed company after deducting extraordinary gain or loss

During the Reporting Period, our Non-CASBE net profit attributable to shareholders of the listed company after deducting extraordinary gain or loss was RMB210.7 million, representing a YoY decrease of 67.1%% from RMB640.3 million during the Corresponding Period. Our margin of net profit attributable to shareholders of the listed company after deducting extraordinary gain or loss decreased from 19.1% during the Corresponding Period to 6.5% during the Reporting Period.

Cash Flows

	For the six months ended June 30,	
	2025	2024
	RMB million	*RMB million*
Net cash generated from operating activities	**408.6**	177.3
Net cash generated/(used) in investing activities	**45.9**	(4,621.8)
Net cash (used)/generated from financing activities	**(827.0)**	206.2

During the Reporting Period, our net cash generated from operating activities was RMB408.6 million, representing a 130.4% increase from RMB177.3 million during the Corresponding Period. The increase was primarily due to (i) a RMB321.5 million increase in cash received from selling goods and providing services during the Reporting Period, representing a 10.5% YoY growth compared to the Corresponding Period. This improvement reflects a higher collection rate of accounts receivable; (ii) a 37.0% YoY decrease in cash paid for taxes, which fell from RMB323.8 million to RMB203.8 million. However, this increase was partially offset by RMB65.4 million decrease in cash received from other operating activities. This decrease was primarily due to the maturity of time deposits, resulting in lower interest income.

During the Reporting Period, our net cash generated from investing activities was RMB45.9 million, a significant improvement compared to net cash used of RMB4,621.8 million in the Corresponding Period. This RMB4,667.7 million shift from net cash outflow to inflow was primarily driven by: (i) higher cash receipts from the redemption of negotiable certificates of deposit during the Reporting Period; and (ii) lower cash outflows for the purchase of such instruments compared to the Corresponding Period.

During the Reporting Period, our net cash used in financing activities was RMB827.0 million, representing a significant shift from the net cash generated from financing activities of RMB206.2 million in the Corresponding Period. The change was primarily driven by the increase in the repayment of borrowings, reducing the short-term borrowings, and reduced proceeds from new borrowings during the Reporting Period compared to the Corresponding Period.

The Group primarily uses RMB to hold cash and cash equivalents.

Liquidity and Capital Resources

The Group's principal sources of funds are cash generated from operating activities, bank loans and proceeds from our H Share IPO in August 2020, and we expect to utilize that to satisfy our future funding needs.

As of June 30, 2025, the Group has not used any financial instruments for hedging, nor used any net investment amounts in foreign currencies for hedging via monetary loans and/or other foreign exchange hedging instruments.

In order to effectively mitigate or hedge against the risks associated with foreign exchange rate fluctuation and to achieve robust business operation, the Company has established a comprehensive Management System for Foreign Exchange Derivatives Trading. Based on revenue and expenditure as well as market condition, the Company may utilize hedging instruments such as forward foreign exchange settlement and sales, RMB and other foreign currency swaps, foreign exchange trading, foreign exchange swaps, and foreign exchange options.

Trade, Bills and Other Receivables

Our trade receivables decreased by 5.3% from RMB1,359.8 million as of December 31, 2024 to RMB1,287.7 millions as of June 30, 2025, which was driven by the Group's continuing focus on enhancing accounts receivable management and collection efficiency.

Our bills receivables increased by RMB0.7 million from RMB6.0 million as of December 31, 2024 to RMB6.7 million as of June 30, 2025, primarily due to the increase in bank acceptance bills received by the Company during the Reporting Period.

Our other receivables increased by 26.4% from RMB89.0 million as of December 31, 2024 to RMB112.5 million as of June 30, 2025. This change was primarily due to some proceeds from the disposal of financial assets that have not yet been received.

Trade Payables and Other Payables

Our trade payables increased by 19.3% from RMB257.3 million as of December 31, 2024 to RMB306.9 million as of June 30, 2025, primarily due to the increase in payables on cost and expense.

Our other payables increased by RMB27.3 million from RMB76.8 million as of December 31, 2024 to RMB104.1 million as of June 30, 2025, primarily due to an increase in dividends payable, which has been subsequently settled in July 2025.

Contract Assets and Contract Liabilities

Our contract assets increased by 9.8% from RMB2,504.7 million as of December 31, 2024 to RMB2,751.2 million as of June 30, 2025, due to the increase in the total amount of contracts with our customers while we have not yet billed our customers upon meeting the billing milestones as specified in our customer service agreements or work orders, as we continued to grow our business.

Our contract liabilities increased by 19.3% from RMB790.7 million as of December 31, 2024 to RMB943.3 million as of June 30, 2025, as more prepayments were received from our customers in relation to our service agreements or work orders with them during the Reporting Period.

Property, Plant and Equipment

Our property, plant and equipment decreased by 3.1% from RMB778.5 million as of December 31, 2024 to RMB754.6 million as of June 30, 2025, primarily attributed to higher depreciation charges recorded during the six months ended June 30, 2025, partially offset by additions from the procurement of new property, plant and equipment.

Construction in progress

Our construction projects increased from RMB420.5 million as of December 31, 2024, to RMB464.7 million as of June 30, 2025, representing a 10.5% YoY increase, which was due to (i) RMB34.4 million increase in costs related to the construction of the Hangzhou office building. This facility, which will serve as the Group's headquarters, is currently undergoing internal renovation. Upon completion, it is designed to support our global development initiatives and will incorporate a biomedical public service platform, training center, industrial incubator, and achievement transformation center; and (ii) an increase in laboratory renovation costs from RMB241.1 million to RMB250.8 million during the Reporting Period, primarily incurred by our subsidiary, Frontage.

Intangible Assets

Our intangible assets decreased by 10.4% from RMB336.9 million as of December 31, 2024 to RMB301.9 million as of June 30, 2025, primarily due to the amortization of the intangible assets during the Reporting Period.

Right-of-use Assets

Our right-of-use assets decreased by 7.3% from RMB487.2 million as of December 31, 2024 to RMB451.9 million as of June 30, 2025, primarily due to (i) the termination of certain existing lease contracts, resulting in the derecognition of related assets; (ii) limited additions from new lease contracts during the six months ended June 30, 2025; and (iii) depreciation expense recognized during the period contributed to the reduction in the carrying amount.

Long-term Equity investment

Our long-term equity investment increased from RMB3,424.6 million as of December 31, 2024 to RMB4,078.2 million as of June 30, 2025, primarily in relation to the capital injection of RMB499.9 million to Hangzhou Taikun Equity Investment Fund Partnership (Limited Partnership)* (杭州泰鯤股權投資基金合夥企業(有限合夥)) ("**Hangzhou Taikun**") which we have 50.0% ownership.

Financial Assets

Our financial assets include listed equity securities, unlisted equity investments, unlisted fund investments, financial products, unlisted debt instruments and life insurance policies. Our financial assets increased by 0.6% from RMB10,188.8 million as of December 31, 2024 to RMB10,246.9 million as of June 30, 2025. Such increase was primarily due to our continuing investment activities during the Reporting Period.

The following table sets for a breakdown of our financial assets as of the dates indicated:

	As of June 30, 2025 *RMB'000*	As of December 31, 2024 *RMB'000*
Non-current Financial assets		
– Life insurance policies	**1,246**	4,032
– Listed equity securities	**197,276**	67,523
– Unlisted equity investments	**5,063,068**	5,000,911
– Unlisted fund investments	**4,782,185**	4,932,666
– Unlisted debt instrument	**116,131**	108,864
Total non-current financial assets	**10,159,906**	10,113,996
Current Financial assets		
– Financial products	**87,000**	50,000
– Unlisted equity investments	**–**	–
– Unlisted debt instruments	**–**	24,853
Total current financial assets	**87,000**	74,853
Total financial assets	**10,246,906**	10,188,849

Investments in companies and investment funds

During the Reporting Period, we continued to build and manage our investment portfolio through selective minority investments in the healthcare industry, funding innovative R&D efforts of emerging companies with a goal to forge long-term cooperative relationships and gain access to emerging business and innovative technologies. In addition to direct strategic investments in innovative start-ups, we also cooperate with investment funds, including Hangzhou Taikun, to incubate promising biotech and medical device companies as a limited partner of these investment funds. We holistically manage our diversified investment portfolio with a view to drive mid to long-term values rather than focusing on the performances of any individual investment asset for short-term financial returns. We continued to make investments in the healthcare industry in accordance with our industry strategy during the Reporting Period.

As of June 30, 2025, we were a strategic investor in 195 innovative companies and other related companies in the healthcare industry, as well as a limited partner in 54 professional investment funds.

During the Reporting Period, we realized a gain of RMB13.9 million from exiting our investments in companies and investment funds, as measured by the exit amount against our initial investment cost, compared with RMB69.3 million during the Corresponding Period.

Our investments in listed equity securities amounted to RMB197.3 million as of June 30, 2025, representing a 192.2% increase from RMB67.5 million as of December 31, 2024. The increase primarily arose from non-listed companies valued at RMB208.9 million transferring to listed companies during the Reporting Period.

Our unlisted equity investments amounted to RMB5,063.1 million as of June 30, 2025, representing a 1.2% increase from RMB5,000.9 million as of December 31, 2024. The increase is primarily due to i) our continuing investment in unlisted entities, which we believed have potential for growth in the future; and ii) a gain of RMB107.9 million in the fair value change during the Reporting Period.

Our unlisted fund investments amounted to RMB4,782.2 million as of June 30, 2025, representing a 3.1% decrease from RMB4,932.7 million as of December 31, 2024. The decrease is primarily due to the decrease in fair value and disposal of investments of RMB126.8 million and RMB63.8 million respectively.

Our life insurance policies amounted to RMB1.2 million as of June 30, 2025, representing a 69.1% decrease from RMB4.0 million as of December 31, 2024, which was mainly occurred by our subsidiary, DreamCIS.

Our unlisted debt instruments amounted to RMB116.1 million as of June 30, 2025, representing a 13.2% decrease from RMB133.7 million as of December 31, 2024, primarily due to several instruments sold during the Reporting Period.

The movements of our financial assets during the Reporting Period are set forth below:

	Unlisted equity investments	Unlisted fund investments	Listed equity securities	Life insurance policies	Unlisted debt instrument	Financial products	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Opening balance	5,000,911	4,932,666	67,523	4,032	133,717	50,000	10,188,849
Additions	170,295	43,565	–	900	10,000	163,500	388,260
(Transfer to listed companies)/transfer from non-listed companies	(208,907)	–	208,907	–	–	–	–
(Transfer to non-listed companies)/ transfer from unlisted debt instrument	3,000	–	–	–	(3,000)	–	–
Fair value change during the Reporting Period	107,859	(126,790)	(69,342)	(525)	–	–	(88,798)
Disposals of shares	(13,088)	(63,805)	(9,057)	(3,326)	(25,613)	(126,500)	(241,389)
Exchange realignment	2,998	(3,451)	(755)	165	1,027	–	(16)
Ending Balance	5,063,068	4,782,185	197,276	1,246	116,131	87,000	10,246,906

Indebtedness

Borrowings

The Group had RMB2,089.3 million outstanding borrowings as of June 30, 2025, of which RMB1,532.5 million were short-term and RMB556.8 million were long-term. During the Reporting Period, the majority of our borrowings carried floating interest rates. This structure reflects our proactive treasury management strategy in the current volatile market environment. As of June 30, 2025, 82.0% of our borrowings were denominated in RMB, while 17.6% were denominated in USD. As of June 30, 2025, the total unutilized banking facilities available to the Group was RMB6,727.5 million (December 31, 2024: RMB6,446.0 million).

Gearing Ratio

Gearing ratio is calculated using interest-bearing borrowings from banks and other entities divided by total equity and multiplied by 100%, and it was 8.7% as of June 30, 2025, as compared with 9.6% as of December 31, 2024.

Lease Liabilities

We had outstanding aggregated lease liabilities (for the remainder of relevant lease terms) of RMB504.0 million as of June 30, 2025, falling 2.6% from RMB517.6million as of December 31, 2024, primarily due to the termination of certain existing lease contracts, resulting in the derecognition of related assets. Of the aggregated lease liabilities as of June 30, 2025, RMB118.9 million were due within one year and RMB385.1 million would be due in more than one year.

Pledges over Assets of the Group

The Group had no pledges over assets of the Group as of June 30, 2025.

Contingent Liabilities

As of June 30, 2025, the Group had no contingent liabilities.

Capital Commitments

As of June 30, 2025, the Group had total capital commitments entered but outstanding and not provided for in the financial statements amounting to approximately RMB210.7 million (December 31, 2024: approximately RMB240.5 million) and mainly included that not provided for the acquisition for the investments in the funds or companies was approximately RMB177.7 million (December 31, 2024: approximately RMB234.8 million).

In addition, the Group entered into a subscription agreement to subscribe 50% equity interests in an associate, Hangzhou Taikun, in 2021. The Group had committed to invest additional capital in Hangzhou Taikun, amounting to RMB6.5 billion as of June 30, 2025.

The capital commitment by the Group shall be paid subject to the notice issued by the general partner of Hangzhou Taikun according to the capital needs of Hangzhou Taikun.

Significant Investments Held

As of June 30, 2025, saved for the investment as mentioned below, the Group did not hold any other significant investments.

On July 12, 2021, Hangzhou Tigermed Equity Investment Partnership (Limited Partnership)* (杭州泰格股權投資合夥企業(有限合夥)) ("**Tigermed Equity**") and Hangzhou Tailong Venture Investment Partnership (Limited Partnership)* (杭州泰瓏創業投資合夥企業(有限合夥)) ("**Tailong Investment**"), the subsidiaries of the Company, entered into the partnership agreement with Hangzhou Industry Investment Co., Ltd.* (杭州產業投資有限公司) ("**HZ Industry Investment**") and HZ Hi-Tech Investment Co., Ltd.* (杭州高新創業投資有限公司) ("**HZ Hi-Tech Investment**") in relation to the formation of a fund, namely Hangzhou Taikun. The registered capital of Hangzhou Taikun shall be RMB20 billion, of which RMB200 million will be subscribed by Tailong Investment as the general partner, RMB9.8 billion will be subscribed by the Tigermed Equity as a limited partner, RMB5 billion will be subscribed by HZ Industry Investment as a limited partner and RMB5 billion will be subscribed by HZ Hi-Tech Investment as a limited partner.

Hangzhou Taikun was established on August 10, 2021 and became an associate of the Group. As of June 30, 2025, our Group has paid up RMB3.5 billion of the registered capital of Hangzhou Taikun.

Hangzhou Taikun is principally engaged in investment activities focusing on innovative start-ups in the healthcare industry. In addition to direct strategic investments, Hangzhou Taikun also invests in equity investment and venture capital funds in the healthcare industry.

The Company, through its subsidiaries, namely Tigermed Equity and Tailong Investment, holds 50.0% of the equity interests of Hangzhou Taikun.

As of June 30, 2025, the carrying amount of our investment in Hangzhou Taikun was RMB3,751.9 million, accounting for 13.1% of the total assets of the Group.

As of June 30, 2025, Hangzhou Taikun had a net asset of RMB7,503.8 million, and generated a profit of RMB291.3 million during the Reporting Period. The Group has received the amount of RMB1.5 million for the dividend in respect of its investment in Hangzhou Taikun during the Reporting Period.

By investing in Hangzhou Taikun, the Company's strong investment and financing platform can be utilized to, deepen its position in the biopharmaceutical field, promote the optimization of upstream and downstream industrial chain and in turn enhance the Company's core competitiveness. The Directors believe that such investment will be able to complement the Company's long term investment strategy.

Please refer to the announcements of the Company dated July 12, 2021 and August 23, 2021 and the circular of the Company dated July 23, 2021 for details.

Saved as the significant investment mentioned above, the Company has no other future plans for material investments or capital assets.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

During the Reporting Period, the Group had not conducted any material acquisitions and disposals of subsidiaries, associates and joint ventures.

Treasury Policy

Currently, the Group follows a set of funding and treasury policies to manage its capital resources and prevent risks involved. The Group expects to fund its working capital and other capital requirements from various sources, including but not limited to cash flow generated from operating activities, and internal financing and external financing at reasonable market rates. Save for Frontage and DreamCIS as they are publicly listed, the Group's treasury activities are centralized. The Group generally deals with financial institutions with good reputations.

Core Competence Analysis

We believe that the following strengths have enabled us to differentiate from our competitors:

1. Rich experience in project execution at the industry forefront

As a leading CRO in the industry, we have accumulated rich experience in innovative drug and medical device R&D services since its establishment more than 20 years ago, including global multi-national pharmaceutical companies and domestic large pharmaceutical companies, small to medium-sized innovative drug R&D enterprises, etc. Our products cover a wide range of chemical drugs, biologics, vaccines, medical devices, and most of the therapeutic areas, including oncology, respiratory, infectious, endocrine, hematology, neurology, cardiovascular, dermatology, immunology, digestion, metabolism, rare diseases and other disease areas. Meanwhile, the Company closely follows the development pace of China's innovative drug industry, actively enhancing its service capabilities in cutting-edge drug mechanisms, targets, and therapeutic areas. Concurrently, it is expanding its service scope to new business areas such as real-world studies and risk-based clinical monitoring. In the first half year of 2025, we have provided service for 26 approved Class I new drugs in China. As of June 30, 2025, we had cumulative experience in up to 150 international MRCTs.

2. *Global synchronized operation and management*

We have set up branch offices and local clinical operation teams in many countries and regions on all continents (including America, Europe, Australia, etc.), with professionals familiar with pharmaceutical regulations and clinical practices in various countries, and established synchronized operation and collaboration mechanisms, forming strong capabilities of synchronized execution of globalizing projects. Meanwhile, we have also expanded our overseas customer base and operational capacity through the strategic acquisition of overseas CRO companies. As of June 30, 2025, our global workforce has reached 10,251 employees, including over 1,700 overseas employees and covering over 33 countries globally. Since the establishment of our International Headquarter in Hong Kong in 2023, it has gradually become a central hub for Tigermed's overseas functional support and business development initiatives.

3. *Covering the whole R&D industry chain*

For CRO enterprises, integrated services can increase the depth and breadth of cooperation with customers, reduce communication and interface costs in the R&D process, enhance efficiency and improve the stability of cooperation. Currently, we have established integrated R&D service platforms for both pharmaceutical and medical device customers. Our integrated service platform for drug R&D can provide full-process and end-to-end services including drug discovery, pre-clinical development, IND filing, clinical trial phase I-III, registration, post-market studies and real-world studies. Our integrated service platform for medical device R&D can provide R&D services throughout the entire life cycle of medical device R&D, including product design and R&D, pre-clinical, clinical development and evaluation, registration and application and post-market studies.

4. *Excellent quality standards and delivery capabilities*

Excellent quality management is a solid foundation for clinical research and one of the core competencies that we are proud of. We have set up a Quality Management Committee as the highest quality governance body to promote the operation and improvement of our quality management system, organize regular quality review activities and comprehensive assessment on our overall quality status, review and assess our quality risks and related corrective measures, etc. The general manager of the Company serves as the first person responsible for quality management. We take the initiative to embrace changes and innovation, actively explore the use of digital, intelligent, remote and forward-looking approaches to incorporate "Quality by Design" into the design, operation and quality management of clinical trials and develop the Risk-Based Quality Monitoring System ("**RBQM**") for risk-based

quality management. Our DCT solution team has been set up to utilize the latest remote and intelligent hybrid clinical trial methods such as RBQM, e-informed, remote follow-up, direct-to-patient drug delivery, and e-payment, actively assemble taskforce to develop models and platforms based in artificial intelligence technology to enable clinical trials, aiming to continuously improve the efficiency of clinical operation and quality management capabilities and to enhance the efficiency of high-quality delivery and delivery capabilities.

5. *Leading industry position and influence*

Since our establishment in 2004, we have witnessed and involved in the whole process of China's pharmaceutical industry from me-too drugs to fast-follow drugs and then to innovative drugs. After nearly 20 years of development, we have grown from a local CRO to expansion into Asia-Pacific, and then expansion from the Asia-Pacific region to Europe and the United States. We have become China's leading CRO and one of the few international CROs that can cover all 5 continents with global synchronization of R&D service capabilities. During the period from our establishment in 2004 to 2024, we have provided services for 60% of the marketed Class I new drugs in China. According to Frost & Sullivan's report, we have the largest market share in China's clinical outsourcing market for many consecutive years with a 10.6% market share in 2024, and is the only China-based clinical services provider ranked among global top 10 with a global market share of 1.1%.

6. *Extensive network of collaborations with Chinese and global research institutions*

In China, we have a network of offices and operations covering almost all of the country's medium and large-sized cities, and we partner with more than 1,400 Chinese clinical trial institutions. We have also launched the E-site Program to continue to strengthen cooperation with top clinical trial institutions, jointly develop professional clinical trial teams and build clinical sites, improve management and efficiency, and create a win-win and sustainable clinical study network. As of June 30, 2025, we have completed the construction of 8 jointly-established centers, deployed 19 regional divisions across China, and established 300 key partner centers along with 98 green channel centers. This has formed an integrated research center service platform encompassing on-site management, institutional services, Good Clinical Practice center operations and subject management.

7. Building an ecosystem to enable full-cycle services for enterprise

In order to better drive biopharmaceutical innovation, we make minority investments in innovative biopharmaceutical and medical device startups. Our industry reputation, experience and expertise enable us to identify early- stage investment opportunities and develop a diversified portfolio. Through our investments, we are able to build long-term relationships with such companies and promote continued innovation in the biopharmaceutical industry in China and globally. In addition to providing financial support to start-ups, we also focus on the early transformation of scientific research results, integrate pharmaceutical innovation and entrepreneurship resources from government, industry, universities, research institutes, hospitals, investment institutions and other parties, focus on building a platform empowered by transformation of scientific and technological achievements throughout the whole life cycle, actively participate in investing in and incubating more innovative enterprises, and provide one-stop R&D solutions and full life-cycle services for business operations, so as to continuously empower the growth of innovative enterprises.

Other Events

On March 27, 2025 the Company convened the fourteenth meeting of the fifth session of the Board, pursuant to which the Board resolved and approved, amongst others, the proposed amendments to the articles of association of the Company (the "**Proposed Amendments to the Articles**"). The Proposed Amendments to the Articles was approved at the 2024 annual general meeting of the Company by way of special resolution. For details, please refer to the announcements of the Company dated March 27, 2025 and May 30, 2025 and the circular of the Company dated April 29, 2025.

2. The Management's Discussion and Analysis on Future Development of the Company

Industry Outlook

In the past few years, both domestic and international environments have undergone profound and complex transformations. Influenced by the interplay of the global macroeconomic cycle, the development cycle of biopharmaceutical industry, domestic economic, and industrial and policy cycles, the demand for R&D in the domestic biopharmaceutical industry has exhibited significant volatility. Some of our clients have experienced a notable shift in their risk appetite for biopharmaceutical R&D, while others, particularly those that have not yet achieved profitability and rely heavily on external financing, are encountering substantial cash flow pressures. These factors contribute to heightened competitive intensity and growth challenges within clinical research outsourcing services and related industries.

Since 2015, China's biopharmaceutical industry has experienced rapid growth. A decade ago, the industry was dominated by generic drugs, with innovative medicines almost entirely dependent on imports. Today, China's biopharmaceutical sector has transformed to be absolutely led by innovation, featuring a complete R&D and manufacturing industry chain and an innovation capacity that ranks among the global forefront. Against the backdrop of this rapid industry development, some earlier-stage R&D pipelines have become mismatched with the current phase of the industry, which has affected some of our clients. Of course, as China's biopharmaceutical industry advances to a globally leading level, more high-quality R&D projects have emerged that are in lockstep with, or even ahead of, global cutting-edge R&D progress. Such projects will become the norm in the future and are the key focus for our business development team's new order acquisition efforts.

As China's biopharmaceutical R&D capabilities have ascended to a world-leading level, which is driven by factors such as continuous optimization of regulatory policies, further improvement of the industry ecosystem, and the gradual recovery of the domestic economic cycle, the Chinese domestic biopharmaceutical industry's R&D innovation continues to achieve breakthroughs. The industry is welcoming numerous groundbreaking "innovation outputs," and the "going global" trend is becoming increasingly evident. This vitality is demonstrated by everything from the concentrated approval of multiple innovative drugs for market to the impressive clinical data presented by Chinese companies on top-tier international academic arenas.

In the first half of 2025, driven by a patient-centric and clinical value-oriented approach, China's innovative drug R&D remained active and its innovation capabilities were further upgraded. Both the quality and quantity of the innovative drug pipeline have ranked among the top in the world. In the first half of 2025, a total of 38 Class I new drugs were approved by NMPA, a record high for the same period. For the full year of 2024, 48 Class I new drugs were approved. During the same period, CDE of NMPA announced 1,001 clinical trials for innovative drugs, compared to 1,858 clinical trials for innovative drugs for the full year of 2024. China is the highest contributor to the pipelines for the world's most popular cutting-edge new drug targets, with its pipeline share exceeding 50% for 18 of the top 20 targets. At the 2025 ASCO Annual Meeting, 73 studies from China were selected for oral presentations, a 40% increase from 2024, accounting for 48% of the global total. In 2024, among IND applications approved by the U.S. FDA, those from China accounted for over 50% and the number of new drugs in development in China has jumped to the second place globally.

Research and development activities in high-demand therapeutic areas in domestic and worldwide markets remained highly active, such as weight loss, cell and gene therapies, and innovative anti-tumor therapies (including ADCs, bispecific antibodies, and novel small molecule drugs). Several new domestically produced drugs have achieved leading positions in various indications within China and have begun to

make significant breakthroughs in global markets. Driven by emerging technologies and R&D tools, enterprises with differentiated target portfolios (e.g., companies with bispecific/ADC platform capabilities), high clinical development efficiency (e.g., those employing innovative clinical research models and real-world evidence to accelerate regulatory review), and strong globalization and business development capabilities continued to capture significant attention from both markets and investors. The domestic biopharmaceutical industry is gradually shifting from "scale expansion" to "value creation," entering a phase of high-quality innovation.

China continues to deepen reforms to promote the high-quality development of the pharmaceutical industry. In recent years, the Chinese Government has successively introduced major reform measures concerning the review and approval system and strengthening drug regulatory capacity, supporting the entire chain of innovative drug development. Such initiatives have effectively improved review and approval efficiency and vigorously promoted the accelerated launch of new and better drugs to better meet the clinical medication needs of the people.

China's 2025 Government Work Report further clarified the need to improve the drug price formation mechanism, formulate an innovative drug catalog, and support the development of innovative drugs and medical devices. In January 2025, NHSA stated it would research and introduce a series of policy measures, including broadening payment channels for innovative drugs and exploring the establishment of a "Category C" drug catalog, to further increase support for innovative medicines. On June 16, 2025, the NMPA released the Announcement on Matters Related to Optimizing the Review and Approval of Clinical Trials for Innovative Drugs (Draft for Comments), which proposes to complete the review and approval process for qualifying innovative drug clinical trial applications within 30 working days, further shortening the market-launch cycle for an innovative drug. On July 1, 2025, the NHSA, jointly with the NHC, issued the Circular on Several Measures to Support the High-Quality Development of Innovative Drugs. These measures focus on the prominent challenges facing the development of innovative drugs in China, providing 16 specific measures across five major areas: strengthening R&D support for innovative drugs, supporting the inclusion of innovative drugs into the National Health Insurance Catalogue and the National Catalogue of Innovative Drugs Covered by Commercial Health Insurance, encouraging clinical application, enhancing multi-channel payment capacity for innovative drugs, and strengthening organizational guarantees for innovative drugs. The issuance of this document will help build a new, clinical value-oriented paradigm for R&D of innovative drugs, stimulate the vitality of innovative drug R&D, and better match clinical treatment needs.

Potential Risks

1. *Risk of force majeure events, natural disasters or outbreaks of other epidemics and contagious diseases and other emergencies*

   Our business operations, financial condition and results of operations will be adversely affected by the potential force majeure events, natural disasters or outbreaks of other epidemics and contagious diseases, and other emergencies. Furthermore, we may in the future experience additional disruptions that could materially and adversely impact our projects, business, financial condition and results of operations. These additional disruptions may also have the effect of heightening certain other risks, such as those relating to our ability to attract and retain customers, our ability to collect payments from our existing and future customers, our ability to recruit healthy volunteers and patients for our clinical trials and our ability to conduct R&D projects with high quality and timely delivery. The extent of the impact to our business will depend on future developments, which are uncertain and unpredictable at the moment.

   We have formulated a business continuity management plan to facilitate the recovery of key operations, functions and technologies before, during and after emergencies or destructive events in a timely and organized way, so as to enable our Group to develop its business on a feasible and stable basis. However, if our business continuity management plan fails to cope with the impact of relevant emergencies and force majeure, it may materially adversely affect the Company's business, finance, operating results and future prospects.

2. *Risk of reduction in demand for biopharmaceutical R&D services*

   The success of our business depends primarily on the number and size of service contracts with our customers, who are mostly biopharmaceutical and medical device companies. Over the past several years, we have benefited from increasing demand for our services from our customers because of the continued growth of the global pharmaceutical market, increasing R&D budgets of our customers, and a greater degree of outsourcing by our customers. Any slowing or reversal of any of these trends could have a material and adverse effect on the demand for our services. Furthermore, if investments in pharmaceutical industries were to decrease as a result of decreased cash flows generated by companies or decreased willingness in investment by external investors, the demand for outsourced biopharmaceutical R&D services from companies in such industries may also decrease. If our customers reduce their spending on our services, our business, financial condition, results of operations and prospects could also be materially and adversely affected.

3. *Risk of failure in adapting to updates or changes in regulations/policies*

The biopharmaceutical R&D industry is usually heavily regulated by relevant local regulators in countries and regions where we operate or our services are delivered. In developed countries, the regulations and policies governing the biopharmaceutical R&D industry are generally well established. In China, the local government and NMPA have been gradually developing and refining relevant regulations and policies governing biopharmaceutical R&D activities in China. Whilst we have attached great importance to the latest development of these regulations and policies, our business, financial condition and results of operations could be adversely affected if we fail to timely adapt to any updates or changes of these relevant regulations or policies by formulating an updated operating strategy.

4. *Risk of increasing competition*

The global pharmaceutical CRO market is increasingly competitive. We face competition in several areas, including price, quality of services, breadth and flexibility of services, capacity, timeliness of delivery of services, compliance with regulatory standards and customer relationships. We compete with multinational CROs and domestic, small to medium-sized CROs. In addition, we compete with the in-house development teams of our customers. If we are not able to compete effectively with existing or new competitors, our business, financial condition and results of operations could be adversely affected. Furthermore, increased competition could create pricing pressure on our services, which could reduce our revenue and profitability.

5. *Risk of failure in business expansion and strategy implementation*

We expect to continue growing our business in the future and hence will continue to diversify our service offerings and enhance our global presence. As such, we will need to continuously enhance and upgrade our services and technology, optimize our branding, sales and marketing efforts, and expand, train and manage our employees. All these efforts will require significant managerial, financial and human resources. If we are not able to manage our growth or execute our strategies effectively, our expansion may not be successful and our business, financial condition and results of operations may be materially and adversely affected.

6. *Risk of failure in complying with existing or future changes in laws, regulations or industry standards*

Government agencies and industry regulatory bodies around the world impose strict regulations or industry standards on how customers develop, test, study and manufacture drugs, medical devices, and biologics and how CROs and other third parties acting on customers' behalf perform such regulated services. Given the wide range of services the Company performs for its customers and its diverse geographic coverage, the Company is subject to various applicable legal and regulatory requirements around the world. In addition, the Company has attached great importance to comply with laws, regulations and industry standards during its operations and will continue to invest in the enhancement of our quality management system and compliance procedures. If the Company fails to comply with any laws, regulations or industry standards in the future in geographies where it operates, its business, financial condition and results of operations will be materially and adversely affected. Further, regulatory authorities may from time to time change their legal and regulatory requirements. Therefore, if the Company's existing quality management system and compliance procedures fail to adequately meet new legal and regulatory requirements, the Company may need to incur additional compliance costs and become exposed to negative findings of relevant governmental authorities, which may cause material and adverse impact to its business, financial condition and results of operations. In addition, if there are any actions taken against the Company by governmental regulators for violating the relevant laws, regulations or industry standards, even if successfully defended or settled in the end, could cause the Company to incur relevant legal expenses, divert management's attention from the operation of the Company's business and adversely affect its reputation, business, financial condition and results of operations.

7. *Risk of failure in obtaining or renewing certain regulatory approvals, licenses, permits and certificates required for the business*

We are required to obtain and maintain numerous approvals, licenses, assurances, accreditations, permits, registrations, and certificates from relevant authorities to operate our business. If we or our business partners fail to obtain approvals, registrations, licenses, assurances, accreditations, permits and certificates necessary for our operations or to comply with the terms, conditions, and requirements thereunder, enforcement actions may be taken against us, including suspension or termination of licenses, approvals, assurances, accreditations, permits, registrations, and certificates, orders issued by the relevant regulatory authorities causing operations to cease, fines and other penalties, and may include corrective measures requiring capital expenditure or remedial actions. If such

enforcement action is taken, our business operations could be materially and adversely disrupted. In addition, some of these approvals, licenses, assurances, accreditations, permits, registrations, and certificates are subject to periodic renewal by the relevant authorities, and the standards of such renewals may change from time to time. If we fail to obtain the necessary renewals and otherwise maintain all approvals, licenses, registrations, assurances, accreditations, permits and certificates necessary to carry out our business at any time, our business could be severely disrupted or discontinued, which could have a material adverse effect on our business, financial condition and results of operations. Furthermore, the interpretation or implementation of existing laws and regulations may change and new regulations may come into effect requiring us to obtain any additional approvals, permits, licenses, registrations, assurances, accreditations or certificates that were previously not required to operate our existing business, facilities or any planned future business or facilities. Failure to obtain the additional approvals, permits, licenses or certificates may restrict our ability to conduct our business, which, in turn, could have a material adverse effect on our business, financial condition and results of operations.

8. *Risk of failure in meeting customers' expectations*

If our customers determine that their expenditures on our services do not generate the expected results, they may allocate a portion or all of their budgets to our competitors, and reduce or terminate their business with us. We may not be able to replace customers which decrease or cease their purchase of our services with new customers that spend at similar levels or more on our services. As a result, we may suffer from a loss of customers and may fail to attract new customers, and our ability to maintain and/or grow our revenues could be materially and adversely affected.

9. *Risk of losing key customers and contracts*

If our key customers significantly reduce their spending on our services, or terminate their business relationship with us, our business, financial condition, and results of operations could be materially and adversely affected. In addition, if multiple of our contracts or a large contract are terminated, delayed, or altered in the normal course of business, our business, financial condition, and results of operations could be adversely affected.

10. Risks of acquisitions and investments

We have historically grown our business in part through a number of acquisitions and investments and expect to continue to make selective acquisitions and investments in the future. If we fail to identify suitable acquisitions or investments targets, or made acquisitions or investments that are not successful, we may fail to realize our anticipated returns from such transactions. Our business, financial condition and results of operations could also be adversely affected.

11. Risk of failure to attract, train, motivate and retain talent

Along with our continued expansion, we have established an experienced talent pool with strong project management and R&D capabilities. Skilled and talented personnel help us keep pace with the latest developments in R&D technologies and methodologies in the pharmaceutical and medical device industries, and are therefore critical to our success. Our business operations also rely on personnel possessing highly technical skills for our project management, quality control, compliance, safety and health, information technology and marketing. In order to develop and retain our talent, we provide continuous training programs to our employees through various symposiums, forums and lectures. We also offer employee share incentive programs to our key employees and thus provide them with an opportunity to share the growth of our business. We intend to continue to attract and retain skilled personnel. However, as there is a limited supply of qualified personnel with the necessary experience and expertise, and such talent is highly sought after by pharmaceutical companies, medical device companies, CROs and research institutions, we have to provide competitive compensation and benefits packages to attract and retain talent. We may not always be able to hire and retain the requisite number of qualified personnel to keep pace with our anticipated growth while maintaining consistent service quality. Our expenses to recruit and retain talent are expected to continue to increase along with the growth of the CRO market in China and around the world. If there is a significant increase, our business, financial condition and results of operations may be adversely affected. In addition, we may not always be successful in training our professionals to quickly adapt to technological advances, evolving standards and changing customer needs, and the quality of our services may therefore be severely affected. If there is any failure to attract, train or retain skilled personnel, our reputation, business, financial condition, results of operations and prospects could be materially and adversely affected.

12. Risk of talent loss

Our Directors and our senior management have been instrumental in achieving our historic growth and are crucial to our success. If we lose the services of any of our Directors or our senior management, we may not be able to replace them with suitable and qualified candidates and may incur additional expense to recruit and train new personnel, which could disrupt our business and growth. Furthermore, as we expect to continue to expand our operations and develop new services and products, we will need to continue attracting and retaining experienced management and key technical and scientific personnel. Competition for these talents is intense, and the availability of suitable and qualified candidates is limited. We may be unable to attract or retain such personnel required to achieve our business objectives and failure or delay in doing so could materially and adversely impact our competitiveness, business, financial condition and results of operation.

13. Risks related to financial assets at FVTPL

The fair value of our financial assets at FVTPL, including listed equity securities, unlisted equity investments, unlisted fund investments, unlisted debt instruments and financial products, are subject to changes beyond our control. During the Reporting Period, we recorded a negative changes in the fair value of financial assets in the amount of RMB89.6 million, compared to a negative changes in the fair value of financial assets in the amount of RMB98.4 million during the Corresponding Period. There is no guarantee that the changes in fair value of our financial assets at FVTPL will be positive, and our financial results may be materially affected by fluctuations in the changes in fair value of financial assets at FVTPL. During the Corresponding Period and the Reporting Period, we recorded gains on disposal of and received dividends from financial assets at FVTPL of a total of RMB4.8 million and RMB24.7 million, respectively. There is also no guarantee that we will make gains on disposal of financial assets at FVTPL in the future, and our financial results may be materially affected.

14. Foreign exchange risk

Most of our sales and the costs thereof are denominated in same currencies. However, certain entities within the Group do have sales, costs, capital expenditures, cash and cash equivalents and borrowings in foreign currencies, which exposes the Group to foreign currency risks. In addition, certain entities within the Group also have receivables and payables which are denominated in currencies different from their functional currencies. The Group is mainly exposed to the foreign currency of US$. If RMB appreciates significantly against US$,

our revenue growth could be negatively impacted, and our margins might also be pressured. In order to effectively mitigate or hedge against the risks associated with foreign exchange rate fluctuation and to achieve robust business operation, the Company has established a comprehensive Management System for Foreign Exchange Derivatives Trading. Based on revenue and expenditure as well as market condition, the Company may utilize hedging instruments such as forward foreign exchange settlement and sales, RMB and other foreign currency swaps, foreign exchange trading, foreign exchange swaps, and foreign exchange options.

15. Risk of changes in international policies and situations

Our overseas expansion, our financial condition and results of operations could be adversely affected by circumstances including but not limited to material change of laws, regulations, industrial policies or political and economic environment of any foreign nations or regions where we carry out business operation, or any unforeseeable and unpredictable factors such as geopolitical tensions, international conflicts, wars, sanctions, or other force majeure events. Specifically, international market conditions and the international regulatory environment have historically been affected by competition among countries and geopolitical frictions. Changes to trade policies, treaties and tariffs, or the perception that these changes could occur, could adversely affect the financial and economic conditions in the jurisdictions in which we operate, capital markets where our shares are listed and traded, as well as our overseas expansion, our ability to raise additional capital, our financial condition and results of operations.

Employees

The number of our total employees increased slightly from 10,185 as of the end of the previous year to 10,251 as of the end of this Reporting Period.

The number of domestic employees decreased slightly from 8,559 as of December 31, 2024 to 8,542 as of the end of this Reporting Period. The slight decrease in our domestic workforce was primarily decrease in the number of our back office employees during the Reporting Period and part of our ongoing optimization efforts on business that was adversely affected by domestic industry cycle, such as Frontage's China laboratory service team. The decrease was partially offset by a moderate increase in the number of our site management team.

The number of overseas employees increased from 1,626 as of December 31, 2024 to 1,709 as of the end of this Reporting Period. The primary reason was the increased scale of Company's US team. During the Reporting Period, the Company continues to expand the scale of their clinical operations, project management teams, and business development teams in key overseas markets. As part of its business growth strategy, the Company plans to continue expanding the scale of its clinical operations, project management teams, and business development teams in key overseas markets in the future.

Highly qualified and stable employees are critical for the Company to consistently deliver high-quality services to its clients. The Company is committed to attracting globally experienced interdisciplinary talents, industry experts, and professional technicians to support global expansion. It will also continue to improve its recruitment, job transfer, training, and development programs, as well as its long-term incentive plans, to cultivate and retain talents.

We entered into individual employment contracts with our employees covering matters such as wages, bonuses, employee benefits, workplace safety, confidentiality obligations, non-competition and grounds for termination. These employment contracts typically have terms of three years. We also provide competitive salaries, bonuses, share schemes and other means to attract, motivate, retain and reward our employees. In addition, we invest in continuing education and training programs, including internal and external training, for our management staff and other employees to upgrade their skills and knowledge.

We regularly review our capabilities and adjust our workforce to ensure we have the right mix of expertise to meet the demand for our services. In China, we have established a labor union that represents employees with respect to the promulgation of by laws and internal protocols.

COMPLIANCE WITH THE CG CODE

The Company has adopted the principles and code provisions as set out in Part 2 of the CG Code contained in Appendix C1 to the Listing Rules and has complied with the code provisions in the CG Code during the Reporting Period.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its code of conduct regarding dealings in the securities of the Company by the Directors, the 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 Group or the Company's securities.

The Company had made specific enquiry of all Directors and Supervisors in relation to the compliance of the Model Code and was not aware of any non-compliance with the Model Code by the Directors and Supervisors during the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

On February 6, 2024, the Company convened the fourth meeting of the fifth session of the Board to approve the Resolution on Plan for the Repurchase of the Shares of the Company, pursuant to which the Company approved the Share Repurchase, which will be subsequently used to implement the A Share equity incentive scheme or A Share employee stock ownership plan. The total amount of the fund for the Share Repurchase shall be not less than RMB500 million and not more than RMB1 billion. The price of the Share Repurchase shall be not more than RMB60.00 per Share (inclusive). In the event of any distribution of dividends or bonus shares, conversion of capital reserve into share capital, stock split or stock consolidation, share placing and other ex-rights or ex-dividend matters during the period of the Share Repurchase, the Company will adjust the maximum price for the Share Repurchase pursuant to relevant requirements of CSRC and the Shenzhen Stock Exchange.

On April 12, 2024, in light of the current capital market and the actual situation of the Company, to further boost investor confidence and safeguard the smooth implementation of the Company's Share Repurchase, the Board convened the seventh meeting of the fifth session of the Board, pursuant to which the following adjustments were made to the Resolution on Plan for the Repurchase of the Shares of the Company. The price for the repurchase of Shares shall be adjusted from "not exceeding RMB60.00 per Share (inclusive)" to "not exceeding RMB72.00 per Share (inclusive)", and the number of Shares to be repurchased will be adjusted accordingly in accordance with the maximum repurchase price. Based on the maximum repurchase amount of RMB1 billion and the maximum repurchase price of RMB72.00 per share, it is estimated that the number of Shares to be repurchased will be approximately 13,888,888 Shares, representing approximately 1.59% of the current total issued share capital of the Company; based on the minimum repurchase amount of RMB500 million and the maximum repurchase price of RMB72.00 per share, it is estimated that the number of Shares to be repurchased will be approximately 6,944,444 Shares, representing approximately 0.80% of the current total issued share capital of the Company, subject to the actual number of Shares to be repurchased upon the expiry of the period of the Share Repurchase.

Please refer to the announcements of the Company dated February 6, 2024, April 10, 2024 and April 12, 2024 and the circular of the Company dated April 10, 2024 for details.

During the Reporting Period, the Company repurchased a total of 6,151,100 A Shares through centralized price bidding, representing 0.71% of the total share capital of the Company. The highest transaction price was RMB62 per Share and the lowest transaction price was RMB48.37 per Share, with an average repurchase price of RMB50.23 per Share and a total transaction amount of RMB308,970,378 (excluding transaction fees). Details of the repurchase during the Reporting Period are as follows:

Date	**Number of repurchased A Shares** *(Shares)*	**The highest repurchase price** *(RMB/Share)*	**The lowest repurchase price** *(RMB/Share)*	**Total Consideration** *(RMB)*
January 22, 2025	67,000	48.97	48.54	3,260,431.00
January 23, 2025	84,900	48.76	48.50	4,128,524.00
January 27, 2025	3,408,100	49.81	48.42	167,867,917.00
February 5, 2025	937,700	49.74	48.51	46,334,344.36
February 6, 2025	246,700	49.65	48.37	12,094,701.00
February 10, 2025	374,300	52.08	51.61	19,384,060.00
February 11, 2025	42,000	53.00	52.98	2,225,858.00
February 12, 2025	350,400	53.00	52.63	18,521,342.93
February 13, 2025	352,000	53.00	52.72	18,622,468.16
February 19, 2025	120,600	54.12	52.86	6,480,494.00
February 21, 2025	167,400	62.00	59.40	10,050,238.00

Save as disclosed above, neither the Company nor any of its subsidiaries have purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the Reporting Period. During the Reporting Period, the Company cancelled a total of 3,922,520 A Share treasury shares. As of the end of the Reporting Period, the Company held 5,883,780 A Share treasury shares.

USE OF NET PROCEEDS FROM OUR HONG KONG INITIAL PUBLIC OFFERING

The total net proceeds from the issuance of H Shares by the Company in its listing on the Stock Exchange amounted to approximately HK$11,817.4 million, after deducting the underwriting commission and other estimated expenses payable by the Company in connection with the global offering of the Company (the "**H Shares Offering**").

On March 28, 2022, the Board considered and approved the proposed change in the use of proceeds from the H Shares Offering (the "**First Change in Use of Proceeds**"). The First Change in Use of Proceeds would enable the Company to better allocate its financial resources to opportunities that could drive sustainable growth for the Group and deliver returns to Shareholders in the near future. The Board considers that the changes will help the Company

better seize domestic market opportunities, which is in line with the future growth strategies of the Company. The First Change in Use of Proceeds was approved at the annual general meeting of the Company held on May 20, 2022. Please refer to the announcements of the Company dated March 28, 2022 and May 20, 2022 and the circular of the Company dated April 28, 2022 for details.

On August 28, 2024, the Board convened its tenth meeting of the fifth session of the Board, pursuant to which it passed a resolution to approve the re-allocation of approximately 20% of the net proceeds from the H Shares Offering in the amount of HK$2,363.4 million which was originally allocated to "fund potential acquisitions of attractive domestic and overseas clinical CROs that are complementary to our existing businesses, as part of our global expansion plans, to 1) further strengthen and diversify our service offerings; and 2) expand globally and increase capabilities in key markets" for the following usage:

(i) approximately HK$590.92 million or 5% of the net proceeds for organic expansion and enhancement of our service offerings and capabilities across clinical trial solutions services and clinical-related services to meet the rising demands for our services in both domestic and overseas markets;

(ii) approximately HK$1,181.70 million or 10% of the net proceeds for repaying certain of our outstanding borrowings as of June 30, 2024; and

(iii) approximately HK$590.85 million or 5% of the net proceeds for working capital and general corporate purposes (the "**Further Change in Use of Proceeds from the H Shares Offering**").

The Further Change in Use of Net Proceeds from the H Shares Offering was approved by the Shareholders at the 2024 third extraordinary general meeting of the Company on October 8, 2024. Please refer to the announcements of the Company dated August 28, 2024 and October 8, 2024 and the circular of the Company dated September 13, 2024 for details.

On March 27, 2025, the Company convened the fourteenth meeting of the fifth session of the Board, the Board resolved and approved, amongst others, the further change in use of proceeds from the H Shares Offering (the "**Further Change in Use of Proceeds from the H Shares Offering in 2025**") to enable the Company to better allocate its financial resources to opportunities that could drive sustainable growth for the Group and deliver returns to shareholders in the near future.

The Further Change in Use of Proceeds from the H Shares Offering in 2025 was approved by the Shareholders at the 2024 annual general meeting of the Company on May 30, 2025. Please refer to the announcements of the Company dated March 27, 2025 and May 30, 2025 and the circular of the Company dated April 29, 2025 for details.

As at the end of the Reporting Period, the Group has used the net proceeds as follows:

	Original use of net proceeds as stated in the Prospectus		Allocation of net proceeds after revision as set out in the Announcement on First Change in Use of Proceeds		Allocation of net proceeds after revision as set out in the Announcement on Further Change in Use of Proceeds		Net proceeds unutilized as at the beginning of the Reporting Period	Allocation of net proceeds after revision as set out in Further Change in Use of Proceeds from the H Shares Offering in 2025	Actual use of proceeds during the Reporting Period	Net proceeds unutilized as at the end of the Reporting Period	Expected timeframe for utilizing the remaining unutilized net proceeds
	Approximate HK$ million	*Approximate percentage*	*Approximate HK$ million*	*Approximate percentage*	*Approximate HK$ million*	*Approximate percentage*	*Approximate HK$ million*	*Approximate HK$ million*	*Approximate HK$ million*	*Approximate HK$ million*	
to organically expand and enhance our service offerings and capabilities across clinical trial solutions services and clinical-related services to meet the rising demands for our services in overseas markets	1,772.6	15%	–	–	–	–	–	–	–	–	N/A
to organically expand and enhance our service offerings and capabilities across clinical trial solutions services and clinical-related services to meet the rising demands for our services in both domestic and overseas markets	–	–	1,594.4	15%	713.8	20%	337.2	295.8	27.8	268.0	60 months from October 8, 2024
to fund potential acquisitions of attractive overseas clinical CROs that are complementary to our existing businesses as part of our global expansion plan	4,727.0	40%	–	–	–	–	–	–	–	–	N/A
to fund potential acquisitions of attractive domestic and overseas clinical CROs that are complementary to our existing businesses as part of our global expansion plan to 1) further strengthen and diversify our service offerings and 2) expand globally and increase capabilities in key markets	–	–	4,727.0	40%	1,998	20%	1,475.8	1,475.8	–	1,475.8	60 months from October 8, 2024

	Original use of net proceeds as stated in the Prospectus		Allocation of net proceeds after revision as set out in the Announcement on First Change in Use of Proceeds		Allocation of net proceeds after revision as set out in the Announcement on Further Change in Use of Proceeds		Net proceeds unutilized as at the beginning of the Reporting Period	Allocation of net proceeds after revision as set out in Further Change in Use of Proceeds from the H Shares Offering in 2025	Actual use of proceeds during the Reporting Period	Net proceeds unutilized as at the end of the Reporting Period	Expected timeframe for utilizing the remaining unutilized net proceeds
	Approximate HK$ million	*Approximate percentage*	*Approximate HK$ million*	*Approximate percentage*	*Approximate HK$ million*	*Approximate percentage*	*Approximate HK$ million*	*Approximate HK$ million*	*Approximate HK$ million*	*Approximate HK$ million*	
to foster our biopharmaceutical R&D ecosystem by making minority investments in companies with innovative business models and growth potential, such as biotech companies, healthcare IT companies, hospitals, medical device and diagnostic research companies (including (i) HK1,418.1 million (representing 60% of the net proceeds for investment purposes) in the PRC and (ii) HK$945.4 million (representing 40% of the net proceeds for investment purposes) in overseas markets)	2,363.5	20%	–	–	–	–	–	–	–	–	N/A
to foster our biopharmaceutical R&D ecosystem by making minority investments in domestic and overseas companies with innovative business models and growth potential, such as biotech companies, healthcare IT companies, hospitals, medical device and diagnostic research companies	–	–	296.7	20%	–	–	–	–	–	–	N/A
to repay certain of our outstanding borrowings as of May 31, 2020	1,181.7	10%	1,181.7	10%	–	–	–	–	–	–	N/A
to repay certain of our outstanding borrowings as of June 30, 2024	–	–	–	–	1,181.7	10%	–	–	–	–	N/A
to repay certain of our outstanding borrowings as of December 31, 2024	–	–	–	–	–	–	–	535.0	212.2	322.8	60 months from the date of approval by the 2024 annual general meeting of the Company ("**AGM**")

	Original use of net proceeds as stated in the Prospectus		Allocation of net proceeds after revision as set out in the Announcement on First Change in Use of Proceeds		Allocation of net proceeds after revision as set out in the Announcement on Further Change in Use of Proceeds		Net proceeds unutilized as at the beginning of the Reporting Period	Allocation of net proceeds after revision as set out in Further Change in Use of Proceeds from the H Shares Offering in 2025	Actual use of proceeds during the Reporting Period	Net proceeds unutilized as at the end of the Reporting Period	Expected timeframe for utilizing the remaining unutilized net proceeds
	Approximate HK$ million	*Approximate percentage*	*Approximate HK$ million*	*Approximate percentage*	*Approximate HK$ million*	*Approximate percentage*	*Approximate HK$ million*	*Approximate HK$ million*	*Approximate HK$ million*	*Approximate HK$ million*	
to develop advanced technologies to enhance the quality and efficiency of our comprehensive service offerings, such as cloud-based virtual clinical trial platforms and laboratory automation, medical data platforms and site management capabilities, through recruiting qualified technical and scientific professionals and undertaking specific R&D projects	590.9	5%	590.9	5%	–	–	–	–	–	–	N/A
to working capital and general corporate purposes	1,181.7	10%	1,181.7	10%	1,024.2	15%	874.2	312.3	–	312.3	60 months from the date of approval by the AGM
Total	**11,817.4**	**100%**	**9,572.4**	**100%**	**4,917.7**	**100%**	**2,687.2**	**2,618.9**	**240.0**	**2,378.9**	

For the unutilized net proceeds of approximately HK$2,378.9 million as at the end of the Reporting Period, the Company intends to use them in the same manner and proportions as described above and proposes to use the unutilized net proceeds in accordance with the expected timetable disclosed above.

EVENTS AFTER THE REPORTING PERIOD

Subsequent to June 30, 2025, the following significant events took place:

1. On July 17, 2025, the Group entered into an equity transfer agreement, pursuant to which it disposed of the 4.58% equity interest directly and indirectly held in Lixin Pharmaceutical Technology (Shanghai) Co., Ltd. (禮新醫藥科技(上海)有限公司). For details, please refer to the overseas regulatory announcement of the Company dated July 17, 2025.

2. On July 28, 2025, Tigermed Japan Co., Ltd., a wholly-owned subsidiary of the Company, entered into a share transfer agreement with the former shareholders of MICRON/株式會社マイクロン in Japan to acquire a portion of their equity interest in MICRON. Upon completion of the transfer, Tigermed Japan Co., Ltd. will hold 56.37% of the equity interest in MICRON. For details, please refer to the announcement of the Company dated July 28, 2025.

3. On August 28, 2025, upon election by the employee representative meeting of the Company, Mr. Wu Hao (吳灝), an executive Director, was elected as the employee Director of the fifth session of the Board, with his term of office commencing from the date of approval of the proposed amendments to the Articles of Association of the Company relating to the appointment of an employee Director. Upon his appointment, Mr. Wu Hao will also continue to serve as an executive Director and a member of the strategy and development committee of the Board. For details, please refer to the announcement of the Company dated August 28, 2025.

4. On August 28, 2025, the Company convened the eighteenth meeting of the fifth session of the Board, pursuant to which the Board considered, passed a resolution to approve (1) proposed amendments to the articles of association of the Company; and (2) proposed amendments to certain corporate governance rules. The aforementioned matters are subject to the approval by the Shareholders at the general meeting. For details, please refer to the announcement of the Company dated August 28, 2025.

REVIEW OF INTERIM RESULTS

The Audit Committee comprises three independent non-executive Directors, namely Mr. Liu Kai Yu Kenneth, Mr. Yuan Huagang and Ms. Liu Yuwen. The chairman of the Audit Committee is Mr. Liu Kai Yu Kenneth, who holds the appropriate qualification as required under Rules 3.10(2) and 3.21 of the Listing Rules. The Audit Committee has reviewed the Group's 2025 interim results announcement, interim report and unaudited condensed consolidated financial information of the Group for the six months ended June 30, 2025 with the management of the Company. The Audit Committee considered that the interim results are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control with senior management of the Company.

Save as disclosed in this announcement, during the Reporting Period, there were no material changes in respect of the Company that needed to be disclosed under paragraph 46 of Appendix D2 to the Listing Rules.

INTERIM DIVIDEND

The Board resolved not to declare any interim dividend during the Reporting Period (June 30, 2024: nil)

Consolidated Balance Sheet

Items	Note	**30 June 2025 (Unaudited)**	31 December 2024 (Audited)
Current assets:			
Cash at bank and on hand		**1,732,879,415.80**	2,055,344,830.04
Financial assets held for trading	4(1)	**87,000,000.00**	74,852,975.16
Notes receivables		**6,659,699.85**	6,010,700.41
Accounts receivables	4(2)	**1,287,716,507.11**	1,359,758,181.20
Advances to suppliers	4(3)	**120,899,963.88**	101,932,971.27
Other receivables	4(4)	**112,504,518.66**	89,030,886.84
Including: Interest receivable		**352,639.85**	–
Inventories		**43,634,437.02**	31,956,085.52
Contract assets	4(5)	**2,751,249,863.14**	2,504,689,617.50
Other current assets		**63,916,321.00**	76,108,977.92
Total current assets		**6,206,460,726.46**	6,299,685,225.86
Non-current assets:			
Long-term equity investments		**4,078,243,679.08**	3,424,603,314.72
Other equity instrument investments	4(1)	**9,497,010.90**	8,090,146.65
Other non-current financial assets	4(1)	**10,150,409,106.29**	10,105,905,487.26
Fixed assets		**754,550,913.34**	778,498,376.24
Construction in progress		**464,682,655.15**	420,535,374.37
Right-of-use assets		**451,925,960.46**	487,230,305.93
Intangible assets		**301,906,624.26**	336,876,524.01
Goodwill	4(7)	**3,250,666,878.10**	3,227,762,493.75
Long-term prepaid expenses		**195,156,734.32**	210,094,767.04
Deferred tax assets		**134,477,328.64**	126,686,732.61
Other non-current assets	4(6)	**2,506,680,141.21**	3,245,047,038.72
Total non-current assets		**22,298,197,031.75**	22,371,330,561.30
TOTAL ASSETS		**28,504,657,758.21**	28,671,015,787.16

Items	Note	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Current liabilities:			
Short-term borrowings	4(8)	**1,439,391,704.42**	1,912,017,204.22
Notes payables		**6,135,272.21**	
Accounts payables	4(9)	**306,867,452.68**	257,287,412.33
Contract liabilities		**943,308,269.82**	790,737,308.84
Employee benefits payable		**211,564,788.10**	243,974,190.43
Taxes payable		**139,717,560.39**	159,172,131.01
Other payables	4(10)	**104,096,443.29**	76,840,278.73
Including: Interests payable		**3,334,127.35**	5,310,915.46
Dividends payable		**39,055,391.33**	2,609,775.37
Non-current liabilities due within one year		**212,038,113.97**	198,600,777.18
Other current liabilities		**32,569,687.89**	23,223,162.38
Total current liabilities		**3,395,689,292.77**	3,661,852,465.12
Non-current liabilities:			
Long-term borrowings	4(8)	**556,783,178.07**	323,649,635.25
Lease liabilities		**385,136,511.69**	399,316,716.16
Long-term employee benefits payable		**2,980,183.53**	2,784,565.42
Deferred income		**16,053,571.65**	17,136,295.72
Deferred tax liabilities		**184,312,664.07**	201,796,922.90
Total non-current liabilities		**1,145,266,109.01**	944,684,135.45
Total liabilities		**4,540,955,401.78**	4,606,536,600.57
Owners' equity:			
Share capital	4(11)	**861,026,050.00**	864,948,570.00
Capital reserve	4(12)	**10,575,573,179.90**	10,772,578,438.11
Less: Treasury shares	4(13)	**300,069,890.00**	191,146,104.89
Other comprehensive income		**135,941,239.17**	99,095,699.24
Surplus reserve		**436,529,393.76**	436,529,393.76
Undistributed profits	4(14)	**8,815,441,906.34**	8,688,647,453.50
Total equity attributable to equity owners of the Company		**20,524,441,879.17**	20,670,653,449.72
Minority interests		**3,439,260,477.26**	3,393,825,736.87
Total owners' equity		**23,963,702,356.43**	24,064,479,186.59
TOTAL LIABILITIES AND OWNERS' EQUITY		**28,504,657,758.21**	28,671,015,787.16

Consolidated Income Statement

Items		Note	For the six months ended 30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
I.	Total operating revenue		**3,250,444,279.63**	3,358,244,223.39
	Including: Operating revenue		**3,250,444,279.63**	3,358,244,223.39
II.	Total operating costs		**2,942,263,124.15**	2,626,269,846.32
	Including: Operating costs		**2,272,465,808.39**	2,025,196,633.70
	Taxes and surcharges		**16,314,692.38**	14,493,882.32
	Selling expenses	4(19)	**107,910,230.35**	101,377,890.50
	General and administrative expenses	4(18)	**355,285,023.64**	376,615,946.18
	Research and development expenses	4(20)	**127,004,932.88**	124,694,222.85
	Financial expenses	4(15)	**63,282,436.51**	-16,108,729.23
	Including: Interest expenses		**54,401,937.67**	67,432,236.02
	Interest income		**8,422,574.46**	71,381,356.68
	Add: Other income		**21,404,223.43**	17,348,696.48
	Investment income ("-" for losses)	4(16)	**233,000,832.99**	70,743,456.58
	Including: Share of profit of associates and joint ventures		**166,385,559.89**	44,095,071.11
	Gains from changes in fair values ("-" for losses)	4(17)	**-89,643,957.92**	-98,403,141.06
	Credit impairment losses ("-" for losses)		**-25,015,431.51**	-27,659,162.33
	Asset impairment losses ("-" for losses)		**-4,294,719.20**	-8,424,529.23
	Gains on disposals of assets ("-" for losses)		**625,757.46**	1,489,722.71
III.	Operating Profit ("-" for losses)		**444,257,860.73**	687,069,420.22
	Add: Non-operating income		**497,380.27**	4,950,417.77
	Less: Non-operating expenses		**2,065,905.52**	1,926,665.02
IV.	Total Profit ("-" for losses)		**442,689,335.48**	690,093,172.97
	Less: Income tax expenses	4(21)	**79,861,031.64**	132,514,479.05
V.	Net Profit ("-" for losses)		**362,828,303.84**	557,578,693.92
	(I) Classified by continuity of operations			
	1. Net profit from continuing operations ("-" for losses)		**362,828,303.84**	557,578,693.92
	(II) Classified by ownership of the equity			
	1. Attributable to equity owners of the Company ("-" for losses)		**383,337,133.84**	492,848,850.97
	2. Minority interests ("-" for losses)		**-20,508,830.00**	64,729,842.95

Items			Note	For the six months ended **30 June 2025** **(Unaudited)**	 30 June 2024 (Unaudited)
VI.	Other comprehensive income, net of tax			**48,983,183.82**	-30,370,935.25
	Attributable to equity owners of the Company			**36,845,539.93**	-12,320,083.43
	(I)	Other comprehensive income that will not be reclassified to profit or loss		**444,801.15**	-2,022,158.59
		1. Changes in fair value of other equity instrument investments		**444,801.15**	-2,022,158.59
	(II)	Other comprehensive income that will be reclassified to profit or loss		**36,400,738.78**	-10,297,924.84
		1. Translation differences of foreign currency financial statements		**36,400,738.78**	-10,297,924.84
	Attributable to minority interests			**12,137,643.89**	-18,050,851.82
VII.	Total comprehensive income			**411,811,487.66**	527,207,758.67
	Attributable to equity owners of the Company			**420,182,673.77**	480,528,767.54
	Attributable to minority interests			**-8,371,186.11**	46,678,991.13
VIII.	Earnings per share:				
	(I)	Basic earnings per share	4(22)	**0.45**	0.57
	(II)	Diluted earnings per share	4(22)	**0.45**	0.57

1. CORPORATION GENERAL INFORMATION

Hangzhou Tigermed Consulting Co., Ltd. (the "**Company**") was established in the People's Republic of China (the "**PRC**") on December 25, 2004 as a joint stock limited liability company. On August 17, 2012, the Company's shares were listed on the ChiNext ("**創業板**") of the Shenzhen Stock Exchange with stock code 300347. On August 7, 2020, the Company's share were listed on the Main Board of the Stock Exchange with Stock Code 3347. Its registered office and the principal place of business activities is located at Room 2001–2010, 20/F, Block 8, No. 19 Jugong Road, Xixing SubDistrict, Binjiang District, Hangzhou, the PRC.

The Company and its subsidiaries (the "**Group**") is principally engaged in the CRO services.

Dr. Ye Xiaoping and Ms. Cao Xiaochun are acting in concert and are the largest shareholders of the Company.

The functional currency of the Company is RMB, which is the same as the presentation currency of the consolidated financial statements.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with the "Accounting Standards for Business Enterprises – Basic Standards" and various specific accounting standards, the application guidelines for the Accounting Standards for Business Enterprises, the Interpretation of the Accounting Standards for Business Enterprises and other relevant requirements issued by the Ministry of Finance (hereinafter referred to as the "**Accounting Standards for Business Enterprises**"), and relevant requirements of No. 15 of regulations on information disclosures of companies that issue public offering shares – General Rules of preparing financial reports issued by China Securities Regulatory Commission (CSRC). Disclosure regulation of Hong Kong Companies Ordinance and the Listing Rules of the Hong Kong Stock Exchange are also considered in the preparation of these financial statements.

2.2 Going concern

The financial statements are prepared on a going concern basis.

3. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

3.1 Statement of compliance with the Accounting Standard for Business Enterprises

The financial statements have been prepared in compliance with the Accounting Standards for Business Enterprises to truly and completely reflect the consolidated financial position as at 30 June 2025, and the consolidated operating results for the six months ended 30 June 2025.

3.2 Accounting period

The Company's accounting year starts on 1 January and ends on 31 December.

3.3 Operating cycle

The operating cycle of the Company is 12 months.

3.4 Recording currency

The Company's recording currency is Renminbi (RMB).

3.5 Segment Information

(1) Basis for determining reportable segments and accounting policies

Operating segments are determined based on the internal reporting of the Group, which is submitted to the Chief Executive Officer (i.e., the Group's chief operating decision-maker) for performance evaluation and resource allocation. This also forms the foundation of the Group's organization and management.

The Group does not present segment assets and liabilities, as such information is not regularly provided to the chief operating decision-maker for performance evaluation and resource allocation.

The Group's reportable segments are as follows:

(1) Segment revenues and results

For the six months ended June 30, 2025	**Clinical trial solutions (Unaudited)**	**Clinical-related and laboratory services (Unaudited)**	**Total (Unaudited)**
Revenue	1,469,530,239.35	1,780,914,040.28	3,250,444,279.63
Gross profit	335,150,760.38	642,827,710.86	977,978,471.24

For the six months ended June 30, 2024	**Clinical trial solutions (Unaudited)**	**Clinical-related and laboratory services (Unaudited)**	**Total (Unaudited)**
Revenue	1,637,121,812.15	1,721,122,411.24	3,358,244,223.39
Gross profit	627,998,394.63	705,049,195.06	1,333,047,589.69

(2) Geographical information

An analysis of the Group's revenue from external customers, analysed by region, is presented below:

Revenue from external customers	**Six months ended June 30, 2025 (Unaudited)**	**Six months ended June 30, 2024 (Unaudited)**
– Domestic	1,697,863,113.29	1,870,428,162.44
– Overseas	1,552,581,166.34	1,487,816,060.95
Total	3,250,444,279.63	3,358,244,223.39

The information regarding the Group's non-current assets, categorized by the geographical location of the assets, is presented as follows:

Item	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Non-current assets (excluding financial assets and deferred tax assets)		
– Domestic	8,752,914,156.55	8,545,836,113.78
– Overseas	3,200,899,429.37	3,504,812,081.00
Total	11,953,813,585.92	12,050,648,194.78

4. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS

(1) Financial assets held for trading

Item	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Current assets		
Financial assets at FVTPL		
Financial Products	87,000,000.00	50,000,000.00
Unlisted debt instruments	–	24,852,975.16
Sub-total	87,000,000.00	74,852,975.16
Non-current assets		
Financial assets at FVTPL		
Life insurance policies	1,246,262.72	4,032,227.28
Listed equity securities	192,808,213.49	64,151,476.08
Unlisted debt instruments	116,131,232.17	108,864,224.15
Unlisted equity investments	5,058,038,690.53	4,996,191,847.81
Unlisted fund investments	4,782,184,707.38	4,932,665,711.94
Sub-total	10,150,409,106.29	10,105,905,487.26
Financial assets at FVOCI		
Listed equity investment	4,467,324.92	3,371,053.10
Unlisted equity investments	5,029,685.98	4,719,093.55
Sub-total	9,497,010.90	8,090,146.65
Total	10,246,906,117.19	10,188,848,609.07

(2) Accounts receivables

The Company grants its customers a credit period ranging from 30 to 90 days. The table below presents the aging analysis of accounts receivable:

Aging	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Within 90 days	960,899,211.94	1,069,020,665.30
90 to 180 days	113,610,274.21	107,860,212.19
180 days to 1 year	147,741,357.76	149,261,790.29
Over 1 year	206,763,310.69	167,074,966.55
Accounts receivables with individually insignificant amount and subject to individual bad debt provisions	30,129,929.51	18,465,187.00
Subtotal	1,459,144,084.11	1,511,682,821.33
Less: Bad debt provisions	171,427,577.00	151,924,640.13
Total	1,287,716,507.11	1,359,758,181.20

(3) Advances to suppliers

Aging	30 June 2025 (Unaudited) Amount	Ratio %	31 December 2024 (Audited) Amount	Ratio %
Within 1 year (inclusive)	93,522,092.22	77.35	99,382,459.68	97.49
1 to 2 years	25,795,447.77	21.34	936,705.63	0.92
2 to 3 years	76,312.27	0.06	1,383,825.06	1.36
Over 3 years	1,506,111.62	1.25	229,980.90	0.23
Total	120,899,963.88	100.00	101,932,971.27	100.00

(4) Other receivables

Item	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Interest receivable	352,639.85	
Other receivables	112,151,878.81	89,030,886.84
Total	112,504,518.66	89,030,886.84

1. Other receivables

Aging	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Within 1 year (inclusive)	92,149,419.03	71,276,094.34
1 to 2 years	15,187,368.25	12,952,529.55
2 to 3 years	9,178,003.54	6,626,874.06
3 to 4 years	2,846,395.09	3,771,426.17
4 to 5 years	2,364,896.47	1,351,552.78
Over 5 years	1,619,142.26	2,445,464.57
Subtotal	123,345,224.64	98,423,941.47
Less: Bad debt provisions	11,193,345.83	9,393,054.63
Total	112,151,878.81	89,030,886.84

(5) Contract assets

Item	30 June 2025 (Unaudited)			31 December 2024 (Audited)		
	Gross carrying amount	Impairment provision	Net book value	Gross carrying amount	Impairment provision	Net book value
Contract assets with bad debt provisions based on the general model of expected credit losses	2,796,984,103.51	45,734,240.37	2,751,249,863.14	2,546,878,203.97	42,188,586.47	2,504,689,617.50
Total	2,796,984,103.51	45,734,240.37	2,751,249,863.14	2,546,878,203.97	42,188,586.47	2,504,689,617.50

(6) Other non-current assets

Item	30 June 2025 (Unaudited)			31 December 2024 (Audited)		
	Book value balance	Impairment provision	Net book value	Book value balance	Impairment provision	Net book value
Prepayment for investments	50,000,000.00	–	50,000,000.00	80,000,000.00	–	80,000,000.00
Prepayment for fixed assets and intangible asset, etc.	9,201,004.15	–	9,201,004.15	10,081,946.15	–	10,081,946.15
Certificate of deposit and interest	2,444,018,867.70	–	2,444,018,867.70	3,150,169,257.40	–	3,150,169,257.40
Others	3,460,269.36	–	3,460,269.36	4,795,835.17	–	4,795,835.17
Total	2,506,680,141.21	–	2,506,680,141.21	3,245,047,038.72	–	3,245,047,038.72

(7) Goodwill

Item	31 December 2024 (Audited)	Increase in the current period		Decrease in the current period		30 June 2025 (Unaudited)
		Business combination	Impairment	Disposal	Foreign currency translation differences	
Goodwill	3,302,156,459.69	785,469.81	–	–	-22,092,720.34	3,325,034,649.84
Less: Impairments	74,393,965.94	–	–	–	26,194.20	74,367,771.74
Total	3,227,762,493.75	785,469.81	–	–	-22,118,914.54	3,250,666,878.10

(8) Borrowing

Item	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Secured and unguaranteed bank loans (note (a))	562,868,455.93	687,720,231.72
Unsecured and guaranteed bank loans (note (b))	2,730,876.80	6,679,249.20
Unsecured and unguaranteed bank loans (note (c))	1,523,664,622.40	1,621,447,954.20
Total	2,089,263,955.13	2,315,847,435.12
Loan interest rate per annum in the range of	1.95%–6.45%	1.29%–6.73%
Total current and non-current borrowings were scheduled to repay as follows:		
Due within one year	1,532,480,777.06	1,992,197,799.87
Due within 1 to 2 year	139,210,065.00	102,026,263.77
Due within 2 to 5 year	416,378,893.87	218,124,784.08
Over 5 years	1,194,219.20	3,498,587.40
Total	2,089,263,955.13	2,315,847,435.12

Notes:

(a) As at June 30, 2025, the Group had obtained bank credit facilities in an aggregate amount of approximately RMB496,200,000 (December 31, 2024: RMB510,000,000) through certain restricted bank deposits, of which RMB195,453,000 (December 31, 2024: RMB177,344,000) were utilized.

On May 31, 2022, Frontage Labs, one subsidiary of the Company, entered into a four-year committed senior secured revolving credit agreement with a bank, under which the bank has agreed to extend to Frontage Labs a revolving line of credit in the maximum principal amount of US$54,000,000. As at June 30, 2025, US$22,500,000 (December 31, 2024: US$35,000,000) of the facility were utilized. Frontage Labs is obligated to grant to the bank the security interest in the collateral of some of its designated subsidiaries in the U.S.

On July 22, 2022, Frontage Labs entered into a credit agreement with a bank under which the bank agreed to provide Frontage Labs a term loan facility in an aggregate principal amount of US$49,000,000. As at June 30, 2025, US$28,825,000 (December 31, 2024: US$36,000,000) of the facility were utilized. Frontage Holdings Corporation, as the guarantor, is obligated to guarantee for the liabilities, obligations and the full satisfaction of Frontage Labs under this facility. This facility is collateralized by Frontage Labs' assets in some of its designated subsidiaries in the U.S.

(b) As of June 30, 2025, bank borrowings approximately amounting to RMB2,731,000 (December 31, 2024: approximately RMB6,679,000) were secured by personal guarantees provided by directors of the subsidiaries.

(c) As of June 30, 2025, the Group had banking facilities approximately RMB7,769,265,000 (December 31, 2024: approximately RMB7,626,448,000). The aforesaid bank loans outstanding as at June 30, 2025 were approximately RMB1,523,665,000 (December 31, 2024: approximately RMB1,621,448,000).

(d) As of June 30, 2025,the total unutilized banking facilities available to the Group was RMB6,727,516,900 (December 31, 2024: RMB6,446,015,600).

(9) Accounts payables

Payment terms with suppliers are mainly on credit ranging from 30 to 60 days from invoice date. The following is an aging analysis of account payables, presented based on invoice date, at the end of each of the reporting period:

Aging	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Within 90 days	169,131,996.35	202,233,662.03
90 days to 1 year	93,162,352.61	48,897,656.16
Over 1 year	44,573,103.72	6,156,094.14
Total	306,867,452.68	257,287,412.33

(10) Other payables

Item	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Interests payable	3,334,127.35	5,310,915.46
Dividends payable	39,055,391.33	2,609,775.37
Other payables	61,706,924.61	68,919,587.90
Total	104,096,443.29	76,840,278.73

(11) Share capital

		Movement in the current period (increase+/decrease-)					
	31 December 2024 (Audited)	Issuance of new shares	Share donation	Conversion of reserves into shares	Others	Subtotal	30 June 2025 (Unaudited)
Total amount of shares	864,948,570.00	–	–	–	-3,922,520.00	-3,922,520.00	861,026,050.00

(12) Capital reserve

Item	31 December 2024 (Audited)	Increase in the current period	Decrease in the current period	30 June 2025 (Unaudited)
Capital premium (Share premium)	10,665,467,111.76	–	203,462,406.13	10,462,004,705.63
Other capital reserve	107,111,326.35	6,457,147.92	–	113,568,474.27
Total	10,772,578,438.11	6,457,147.92	203,462,406.13	10,575,573,179.90

(13) Treasury shares

Item	31 December 2024 (Audited)	Increase in the current period	Decrease in the current period	30 June 2025 (Unaudited)
Repurchased share	191,146,104.89	308,970,378.45	200,046,593.34	300,069,890.00
Total	191,146,104.89	308,970,378.45	200,046,593.34	300,069,890.00

(14) Undistributed profits

Item	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Undistributed profits of prior year-end before adjustment	8,688,647,453.50	8,774,794,749.44
Undistributed profits at the beginning of period after adjustment	8,688,647,453.50	8,774,794,749.44
Add: Net profits attributable to the Company's shareholders in the period	383,337,133.84	405,143,491.82
Less: Appropriation to statutory surplus reserve	–	–
Dividend distribution to shareholders	256,542,681.00	491,290,787.76
Undistributed profits at the end of the period	8,815,441,906.34	8,688,647,453.50

The directors of the Company have determined that no dividend will be paid in respect of the interim period.

(15) Financial expenses

	For the six months ended	
Item	30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Interest expenses	54,401,937.67	67,432,236.02
Including: Interest expenses on lease liabilities	13,456,028.89	13,035,104.80
Less: Interest income	8,422,574.46	71,381,356.68
Exchange gains or losses	14,809,278.84	-14,623,271.35
Others	2,493,794.46	2,463,662.78
Total	63,282,436.51	-16,108,729.23

(16) Investment income

	For the six months ended	
Item	30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Share of profit from associates	166,385,559.89	44,095,071.11
Investment income from disposal of financial assets held for trading	70,610.17	231,188.77
Interest income from debt investment during the holding period	259,965.63	227,502.34
Dividend income from other non-current financial assets during the holding period	3,036,534.59	10,910,526.75
Investment income from disposal of other non-current financial assets	21,565,539.05	-6,367,651.23
Income from Certificate of deposit and wealth management products	41,682,623.66	21,646,818.84
Total	233,000,832.99	70,743,456.58

(17) Gains from changes in fair values

Source of gains from changes in fair value	For the six months ended 30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Financial assets held for trading	–	5,010.60
Other non-current financial assets	-89,643,957.92	-98,408,151.66
Total	-89,643,957.92	-98,403,141.06

(18) General and administrative expenses

Item	For the six months ended 30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Employee benefits	176,899,696.23	169,998,053.50
Office facilities and site expenses	22,795,468.76	12,555,516.44
Depreciation and amortization	64,980,447.95	68,347,934.43
Travel expenses and business entertainment expenses	14,216,220.37	12,714,193.91
Consulting expenses and communication expenses	23,963,642.34	24,523,888.46
Share-based payment	8,784,302.63	34,704,505.02
Other expenses	43,645,245.36	53,771,854.42
Total	355,285,023.64	376,615,946.18

(19) Selling expenses

Item	For the six months ended 30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Employee benefits	83,527,311.31	79,061,080.37
Advertising expenses	5,961,760.03	7,304,200.42
Travel expenses and business entertainment expenses	6,431,682.87	5,624,758.47
Other expenses	11,989,476.14	9,387,851.24
Total	107,910,230.35	101,377,890.50

(20) Research and development expenses

Item	For the six months ended 30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Employee benefits	115,766,731.65	114,714,085.48
Depreciation and amortization	4,301,421.10	4,011,430.44
Service expenses and cost of materials	3,115,375.35	5,009,889.17
Other expenses	3,821,404.78	958,817.76
Total	127,004,932.88	124,694,222.85

(21) Income tax expenses

Item	For the six months ended 30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Current income tax expenses	97,806,189.29	148,916,761.34
Deferred income tax expenses	-17,945,157.65	-16,402,282.29
Total	79,861,031.64	132,514,479.05

(22) Earnings per share

1. Basic earnings per share

Basic earnings per share is calculated by dividing the consolidated net profit attributable to ordinary shareholders of the parent company by the weighted average number of ordinary shares outstanding of the Company:

Item	For the six months ended 30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Consolidated net profit attributable to ordinary shareholders of the parent company	383,337,133.84	492,848,850.97
Weighted average number of ordinary shares outstanding of the Company	856,599,303.33	864,753,786.67
Basic earnings per share	0.45	0.57
Including: Basic earnings per share from continuing operations	0.45	0.57
Basic earnings per share from discontinued operations	–	–

2. Diluted earnings per share

Diluted earnings per share is calculated by dividing the consolidated net profit (diluted) attributable to ordinary shareholders of the parent company by the weighted average number of ordinary shares outstanding (diluted) of the Company:

Item	For the six months ended 30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Consolidated net profit attributable to ordinary shareholders of the parent company (diluted)	383,337,133.84	492,848,850.97
Weighted average number of ordinary shares outstanding (diluted) of the Company	856,599,303.33	864,753,786.67
Diluted earnings per share	0.45	0.57
Including: Diluted earnings per share from continuing operations	0.45	0.57
Diluted earnings per share from discontinued operations	–	–

5. CAPITAL COMMITMENTS

The Group has capital commitments under non-cancellable contracts as follows:

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Commitments for the investments in the funds or companies	177,744,811.60	234,810,993.44
Commitments for the acquisition of associates	3,000,000.00	3,000,000.00
Acquisition of property, plant and equipment	29,980,729.71	2,649,646.24

6. OTHER SIGNIFICANT MATTERS

1. Net current assets/(liabilities)

	30 June 2025 (Unaudited)		31 December 2024 (Audited)	
Item	The Company	The Parent	The Company	The Parent
Current assets	6,206,460,726.46	3,111,215,936.87	6,299,685,225.86	3,525,864,274.42
Less: Current liabilities	3,395,689,292.77	5,220,083,707.85	3,661,852,465.12	5,358,969,713.58
Net current assets/(liabilities)	2,810,771,433.69	-2,108,867,770.98	2,637,832,760.74	-1,833,105,439.16

2. Total assets less current liabilities

	30 June 2025 (Unaudited)		31 December 2024 (Audited)	
Item	The Company	The Parent	The Company	The Parent
Total assets	28,504,657,758.21	18,824,040,206.15	28,671,015,787.16	19,322,035,746.26
Less: Current liabilities	3,395,689,292.77	5,220,083,707.85	3,661,852,465.12	5,358,969,713.58
Total assets less current liabilities	25,108,968,465.44	13,603,956,498.30	25,009,163,322.04	13,963,066,032.68

7. SUBSEQUENT EVENT

On July 17, 2025, the Board of Directors of the Group deliberated and approved an equity transfer proposal, pursuant to which it disposed of the 4.58% equity interest directly and indirectly held in Lixin Pharmaceutical Technology (Shanghai) Co., Ltd. (禮新醫藥科技(上海)有限公司). For details, please refer to the announcement of the Company dated July 17, 2025.

PUBLICATION OF INTERIM RESULTS AND 2025 INTERIM REPORT

This results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and on the website of the Company at www.tigermedgrp.com. The 2025 interim report of the Company containing all the information required by the Listing Rules will be published by end of September 2025 on the websites of the Company and the Stock Exchange.

APPRECIATION

The Group would like to express its heartfelt appreciation to all our employees for their outstanding contribution towards the Group's development. The Board wishes to sincerely thank the management for their dedication and diligence, which are instrumental for the Group to continue its success in future. The Board also wishes to extend its gratitude for the continuing support from our Shareholders, customers, and business partners. The Group will endeavour to deliver sustainable business development in the future, so as to create more values for all our Shareholders.

DEFINITIONS

"A Share(s)"	ordinary shares issued by the Company, with a nominal value of RMB1.00 each, which are subscribed for or credited as paid in RMB and are listed for trading on the Shenzhen Stock Exchange
"Audit Committee"	the audit committee of the Board
"Board of Directors" or "Board"	our board of Directors
"CASBE"	China Accounting Standards for Business Enterprises, the financial reporting standards and interpretations for business enterprises issued by the China Accounting Standards Committee of the China Ministry of Finance
"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 interim results announcement and for geographical reference only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan

"Company" or "our Company" or "Tigermed"	Hangzhou Tigermed Consulting Co., Ltd. (杭州泰格醫藥科技股份有限公司), the A Shares of which are listed on the Shenzhen Stock Exchange (stock code: 300347) and the H Shares of which are listed on the Stock Exchange (stock code: 03347)
"Corresponding Period"	the six months ended June 30, 2024
"CRLS"	Clinical-related and Laboratory Services
"CRO"	Contract Research Organization, a company focused on providing R&D services to companies in the pharmaceutical and agrochemical markets
"CTS"	Clinical Trial Solutions
"Director(s)"	the director(s) of the Company or any one of them
"DreamCIS"	DreamCIS Inc., a joint stock company incorporated under the laws of Korea on April 27, 2000, which is listed on the Korean Securities Dealers Automated Quotations of the Korea Exchange (stock code: A223250) and a subsidiary of the Company
"EMA"	European Medicines Agency
"EMEA"	Europe, Middle East and Africa
"FDA"	U.S. Food and Drug Administration
"Frontage" or "Frontage Holdings"	Frontage Holdings Corporation, a company incorporated under the laws of the Cayman Islands with limited liability on April 16, 2018, which is listed on the Stock Exchange (stock code: 1521) and a subsidiary of the Company
"FVOCI"	fair value through other comprehensive income
"FVTPL"	fair value through profit or loss
"Group" or "we"	the Company and its subsidiaries

"H Share(s)"	ordinary share(s) in the share capital of our Company with nominal value of RMB1.00 each, which are listed on the Stock Exchange
"HK$"	Hong Kong dollars and cents, both are the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"IFRS"	International Financial Reporting Standards
"Listing" or "IPO"	the listing of the H Shares on the Main Board of the Stock Exchange on August 7, 2020
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange (as amended 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
"MRCTs"	Multi-regional Clinical Trials
"NMPA"	China National Medical Products Administration
"PMDA"	Pharmaceuticals and Medical Devices Agency
"RMB"	Renminbi, the lawful currency of the PRC
"R&D"	research and development
"Reporting Period"	the six months ended June 30, 2025
"Share(s)"	comprising A Shares and H Shares
"Shareholder(s)"	holder(s) of Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Supervisor(s)"	the supervisor(s) of the Company or any one of them
"treasury shares"	has the meaning ascribed to it under the Listing Rules

"U.S."	United States
"USD" or "US$"	United States dollars, the lawful currency of the United States
"YoY"	year-over-year
"%"	percentage

By order of the Board
Hangzhou Tigermed Consulting Co., Ltd.
Ye Xiaoping
Chairman

Hong Kong, August 28, 2025

As at the date of this announcement, the executive Directors are Dr. Ye Xiaoping, Ms. Cao Xiaochun, Mr. Wu Hao and Mr. Wen Zengyu; the independent non-executive Directors are Mr. Liu Kai Yu Kenneth, Mr. Yuan Huagang and Ms. Liu Yuwen.

This announcement was originally prepared in English. In the event of discrepancies between the Chinese and English versions, the English version shall prevail.

* *For identification purpose only*