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)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2025

FINANCIAL HIGHLIGHTS

	Year ended December 31,		
	2025	2024	Change[2]
	RMB million	*RMB million*	
Operating results			
Revenue	**6,832.8**	6,603.1	3.5%
Gross Profit	**1,873.2**	2,242.0	(16.4)%
Net profit attributable to the owners of the Company	**887.9**	405.1	119.2%
Net profit attributable to shareholders of the listed company after deducting extraordinary gain or loss[1]	**355.1**	854.9	(58.5)%
Profitability			
Gross Profit Margin	**27.4%**	34.0%	(6.6)%
Margin of net profit attributable to the owners of the Company	**13.0%**	6.1%	6.9%
Margin of net profit attributable to shareholders of the listed company after deducting extraordinary gain or loss[1]	**5.2%**	12.9%	(7.7)%

	Year ended December 31,		
	2025	2024	Change[(2)]
	RMB million	*RMB million*	
Earnings per share (RMB)			
– Basic	**1.04**	0.47	121.3%
– Diluted	**1.04**	0.47	121.3%
Financial position			
Total assets	**28,358.8**	28,671.0	(1.1)%
Equity attributable to owners of the Company	**20,959.5**	20,670.7	1.4%
Total liabilities	**4,102.4**	4,606.5	(10.9)%
Cash and cash equivalents	**1,722.6**	2,048.5	(15.9)%
Gearing ratio	**4.6%**	9.6%	(5.0)%

Notes:

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

(2) Changes in percentage points for ratios

The Board proposed to declare a final dividend of RMB1.26 (inclusive of tax) per 10 Shares for the year ended December 31, 2025.

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 audited consolidated annual results of the Group for the year ended December 31, 2025 (the "**Reporting Period**"), together with the comparative figures for the year ended December 31, 2024 (the "**Corresponding Period**").

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 China Accounting Standards for Business Enterprises ("**CASBE**") except for those specifically noted otherwise.

MANAGEMENT DISCUSSION AND ANALYSIS

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

In recent years, the demand for biopharmaceutical Research and Development (R&D) in China has fluctuated significantly due to the combined effects of the global macroeconomic environment, the cycle of the biopharmaceutical industry and domestic policy conditions. Some customers display a lower risk appetite, and many pre-revenue start-up biotech companies are facing cash flow pressures. Coupled with the intensified competition in the industry since 2022, the clinical Contract Research Organization (CRO) industry where the Company operates is therefore under significant competitive intensity and growth challenges.

By the end of 2024, some small and medium-sized clinical CROs have begun to gradually scale back their operations. In 2025, the optimization trend on the supply side continues; it has been observed that the number of active clinical CROs in our country has decreased compared to 2024. According to the registration data of human genetic resources from the National Health Commission (NHC) of the People's Republic of China (PRC), the number of clinical CRO companies registered in 2025 has decreased by 69% compared to the peak in 2021. Only 6 clinical CRO companies appeared in the registration for the first time in 2025, further down from 18 in 2024. Meanwhile, 120 sponsors appeared in the registration for the first time in 2025, returning to a growth trend compared to 100 in 2024. The further integration of the clinical research outsourcing industry has gradually led to benign competition within the industry.

Since 2015, the biopharmaceutical industry in China has developed rapidly. 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. Meanwhile, 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.

With the continuous improvement of China's biopharmaceutical R&D capabilities, driven by regulatory optimization, ecological improvement, and economic recovery, the innovative vitality of the domestic pharmaceutical industry has surged. The "innovation output" of the industry and the internationalization process have significantly accelerated, with multiple new drugs approved and impressive clinical data released, fully demonstrating the strong development momentum of the industry.

In 2025, driven by a global 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 world's leading levels. In 2025, a total of 77 Class 1 new drugs were approved by the National Medical Products Administration (NMPA), a substantial increase from 48 in 2024, continuing to set a historical high. Simultaneously, the Center for Drug Evaluation (CDE) under the NMPA announced 2,333 Phase I-III clinical trials for innovative drugs, significantly higher than the 1,858 announced for the full year of 2024. In 2025, China had 2,703 Investigational New Drug (IND) applications approved, up 19% YoY, and 1,168 Phase I clinical trials initiated, up 13% YoY; and the YoY growth rates were significantly higher than in 2024.

In recent years, China has gradually integrated into the international R&D system, becoming an important contributor to global innovation. According to incomplete statistics, nearly 30% of the global innovative drug research pipelines in 2025 come from Chinese enterprises. 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 IND applications approved by the Food and Drug Administration (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. About one-third of China's innovative drug pipeline belongs to new therapies, including bispecific antibodies, cell and gene therapies, small interfering RNA, and antibody-drug conjugates.

On the global map of pharmaceutical innovation, innovative drugs created in China are becoming a powerful force that cannot be ignored. In 2025, the value of innovative drug assets in China has shown a significant rebound. 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 2025, clinical trial data from China was, for the first time, substantially replicated in clinical trials in the United States (US), 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 will gradually begin 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 offers a highly attractive risk-reward profile, particularly for assets that have achieved early PoC in China. 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 have actively engaged in mergers and acquisitions (the "**M&A**") and licensing deals globally. 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 2025, upfront payments from domestic companies' outbound licensing deals reached USD7.0 billion, up 70.7% YoY, with the potential total deal value reaching USD135.7 billion, up 160.0% YoY. The number of transactions was 158, up 61.2% 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 biopharmaceutical industry.

Note: The above data is sourced from the NextPharma database, including only transactions related to innovative drugs and technology platforms, while excluding transactions related to traditional Chinese medicine, preventive vaccines, generic drugs, improved new drugs, and biosimilars; the transaction amounts only account for publicly disclosed data; statistics on Chinese transaction data include only the data from the Chinese Mainland, excluding the data from Hong Kong SAR, Macau SAR and Taiwan Region.

Active outbound licensing transactions not only allow innovative drug companies to realize part of their pipeline rights in advance, effectively alleviating the cash flow pressure faced by some unprofitable clients that rely on external financing; they also enable collaboration with overseas pharmaceutical companies, leveraging their clinical resources and distribution networks to accelerate the global approval and commercialization process of pipelines, helping companies achieve self-sufficiency sooner. More importantly, this trend has driven the value rebound of Chinese innovative drug assets, thereby improving liquidity in the capital market. In the second half of 2025, the investment and financing activities in the primary market of biomedicine showed significant recovery; throughout 2025, the number of industry merger and acquisition cases gradually increased, and the exit mechanism for the primary market in the field of innovative drugs was effectively repaired and optimized.

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 reform 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, National Healthcare Security Administration (NHSA) of the PRC 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. In June, 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. In July, the NHSA, jointly with the NHC of the PRC, 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 Reimbursement Drug List (NRDL) and the Commercial Health Insurance Innovative Drug List (CHIIDL), 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. Additionally, cities such as Beijing, Shenzhen and Chengdu have introduced favorable policies to encourage the development of innovative drugs. In October, the State Council of the PRC announced the *Regulations on the Administration of Clinical Research and Clinical Translational Application of New Biomedical Technologies*, which will come into effect on May 1, 2026. This aims to regulate the clinical studies and translational applications of new biomedical technologies such as cell therapy and gene therapy, clarify the regulatory framework for the entire process, and delineate the path for the industrialization of cutting-edge technologies. The 2025 edition of the NRDL and the first-ever CHIIDL, released in December, added 114 new drugs (111 of which are new drugs launched in the past five years) and included 19 high-value innovative drugs, marking the official establishment of a diversified payment structure of "basic insurance coverage by medical insurance, supplemented by commercial insurance for high-value drugs".

China's clinical research industry has notable advantages in time and cost efficiency, particularly in patient recruitment. According to data from single-region clinical trials from 2020 to 2024, the patient recruitment speed in China is approximately 2–5 times faster than the global average, with recruitment efficiency in core therapeutic areas such as metabolism, oncology, and immunology significantly exceeding the global median. In oncology clinical studies, the median time for patient recruitment in Phase I to III clinical trials in China is significantly shorter than that in the US, showcasing outstanding R&D efficiency (data may not be comprehensive).

In recent years, the domestic innovative drug pipeline has continued to develop in a diversified and balanced manner, with an expanding coverage of therapeutic areas. The proportion of oncology in the innovative pipeline has declined, while the shares of immunology, metabolism, and anti-infection fields have steadily increased, leading to a more rational pipeline structure. Meanwhile, in the fields of antibody-drug conjugates (ADC), cell and gene therapy (CGT), bispecific/trispecific antibodies (BsAb/TsAb), nucleic acid drugs (e.g. siRNA, RNAi and mRNA), and nuclear medicines, China has been actively laying out early-stage innovative assets, occupying an important position in the global market. The proportion of innovative assets in various sub-sectors remains high, and their contribution to global next-generation technology innovation continues to rise. Meanwhile, several approved domestic new drugs have achieved leading positions in different therapeutic areas within China and are gradually making commercial breakthroughs in the global market.

In our view, China's innovative assets will gradually enhance their contribution to the global pharmaceutical ecosystem. Currently, they are in the "rapid follower" stage, having made significant impacts in therapeutic areas with substantial market potential, clear regulatory pathways for leading compounds, but not yet established high commercialization barriers. The short-term goal is to "create new combo assets/therapies", continuously increasing contributions in areas such as ADC, BsAb/TsAb, and CGT. The mid-term goal is to "optimize validated targets", relying on higher R&D efficiency and abundant preclinical and clinical resources to continuously enhance the contribution of innovative assets across various technological fields. The ultimate goal is to "create entirely new pathways/biological routes", achieving a core contribution of Chinese innovation to the global ecosystem.

Driven by emerging technologies and R&D tools, enterprises with differentiated target portfolios (e.g., companies with technology 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.

With the recovery of the domestic biopharmaceutical industry, the demand for clinical research outsourcing services has rebounded, and since 2025, customer enthusiasm for early inquiries has noticeably increased. 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 the growth of long-term clinical demand.

In 2025, with the recovery of the domestic biopharmaceutical industry and the further integration of China's innovative drug R&D industrial chain into the global landscape, the demand for clinical research outsourcing services has continued to show a recovery trend. Meanwhile, the clinical research outsourcing industry further consolidated in 2025, and competition within the industry has become more benign. The Company's Business Development (BD) Department and all employees continue to deeply cultivate relationships with high-quality domestic clients, continuously developing clinical R&D and related business orders, especially those from domestic pharmaceutical companies and high-quality biotech companies; on the other hand, they are also actively exploring business opportunities from large multinational pharmaceutical companies. During the Reporting Period, the YoY growth of our new bookings accelerated compared to 2024, with net new bookings (newly signed orders subtracted by canceled orders) amounting to RMB10.2 billion, up by 20.6% YoY. In 2025, the average unit price of new bookings has stabilized and is expected to return to a growth trend in 2026. As of the end of the Reporting Period, our backlog reached RMB18.2 billion, up by 15.4% YoY.

The Company also actively engaged with overseas sponsors to discuss the feasibility of initiating early stage clinical trial projects in China and had made meaningful progress with both multinational pharmaceutical companies and overseas biotechs during the Reporting Period.

During the Reporting Period, the Company maintained its leading position in China's clinical research outsourcing industry; in 2025, the Company provided services for 49 approved Class 1 new drugs and 5 approved innovative medical devices in China.

Technological innovation serves as a critical driver in propelling the industry's transformation and upgrading. Recently, with the support of regulatory agencies, new technologies such as artificial intelligence (AI), digitalization, and decentralized clinical trials (DCTs) 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.

In 2025, AI technology in the clinical CRO sector progressed from conceptual implementation to a phase of value realization. Breakthroughs in generative AI significantly increased the industry's willingness to adopt AI applications, delivering clear value in areas such as clinical trial efficiency, cost control, and data governance, while driving innovation in service models across the industry. The deeper integration of digitalization, intelligence and clinical studies has made improving clinical trial efficiency a broad industry consensus. High-quality, compliant data assets have gained prominent value, and AI empowerment has become a key capability for enhancing competitiveness. The Company has positioned digitalization and intelligence as core development strategies, with the Intelligence Research Institute coordinating and steadily advancing various initiatives throughout the year of 2025 to achieve deep integration of technology and business.

During the Reporting Period, the Company established a Data Governance Team, expanded its pool of digital and intelligent professionals, and strengthened the coordinating role of the Intelligent Research Institute to ensure effective strategy execution. At the same time, the Company continued to advance data governance efforts by deeply integrating market, industry, and internal Company data, and launched multiple data products and models – including business data models and project experience models – to provide more efficient digital tools across the full clinical trial process. The Company completed historical data cleansing, established data standards, and built a data management system, thereby providing compliant, high-quality data sources for intelligent applications.

The Company integrated the E-Site System with the Site Payment System to form a centralized information management platform, enabling seamless flow of expense data. The Company also fully implemented data governance, established data standards, cleansed historical data, and achieved unified governance of centralized information.

The centralized information management platform promoted data fusion across various internal systems of Tigermed, creating a closed-loop flow of centralized information and delivering timely, accurate, and valuable data to support business scenarios such as bidding, site selection, and site initiation. In site expense control, end-to-end full-process digitalization was achieved, improving management and execution efficiency by over 50%, while enabling cash flow forecasting and cost analysis for site expenses, thereby enhancing the accuracy of financial forecasting and analysis.

In 2025, Tigermed's self-developed Taya AI large model platform officially completed technical implementation and was put into commercial use. Built on a multimodal large model foundation and integrating knowledge retrieval with Retrieval-Augmented Generation (RAG) applications, the platform constructs an AI product matrix covering the full clinical trial chain, aiming to drive an efficiency revolution and cost optimization in clinical research through technological innovation. The Taya AI platform has established a robust, multi-layered data security defense system, obtaining multiple international certifications including ISO 20000 and ISO 27001, while strictly complying with the requirements of the *Data Security Law of the People's Republic of China*, the European Union (EU) *General Data Protection Regulation* (GDPR), and the US *Health Insurance Portability and Accountability Act* (HIPAA) to ensure data security. The Taya intelligent writing integrated platform has achieved intelligent generation of compliant documents such as clinical study reports (CSRs) and trial protocols, substantially improving document drafting efficiency. In the future, it will extend to areas including regulatory submissions, data statistics, and pharmacovigilance. The platform already possesses generation capabilities for a broader range of medical writing types, such as clinical evaluation reports (CERs) for medical devices, and is poised to evolve into a one-stop intelligent medical writing center.

In order to further deepen AI applications in clinical trials, the Company is actively advancing several forward-looking projects: In the pharmacovigilance (PV) field, developing a specialized intelligent literature retrieval system that uses AI to automatically capture massive volumes of medical literature, identify risks, and provide early warning monitoring, ensuring real-time acquisition and compliant handling of drug safety information; Using AI to assist CRAs in generating monitoring reports and issuing risk warnings for study sites, serving as a "digital twin" for CRAs to reduce repetitive paperwork and improve monitoring quality and efficiency; Leveraging historical clinical trial big data combined with real-time hospital workload information, and under compliance premises, employing predictive models to precisely recommend optimal clinical trial sites to sponsors.

In 2025, the Company's digitalization and intelligence strategy delivered significant results, with breakthroughs in AI product commercialization. Relevant products gained market recognition, successfully transforming technological value into business value. Looking ahead, the Company will continue to increase R&D investment and closely follow technological trends; expand its professional talent pool to accelerate business empowerment; deepen data integration to unlock the value of data assets; accelerate product R&D iteration; strengthen industry collaboration; explore innovative AI application models; and uncover new business opportunities. As AI technology and applications mature in the CRO sector, the Company will continue to deepen its digitalization and intelligence strategy, promote deep integration of AI with business operations, expand AI application scenarios while ensuring high-quality compliance, improve operational efficiency, uncover potential new opportunities, and further consolidate its leading industry position.

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, being the first CRO in Japan focused on medical imaging analysis. Micron boasts one of the largest professional imaging teams in Asia, serving over 250 clients and assisting over 40 products to be successfully launched into the market. In 2024, it was nominated for the Best Contract Research Organization Award in Japan. This acquisition brought a mature local Japanese team to the Company, expanded its client base in Japan and the Asia-Pacific region, and enhanced its business capacity and industry influence in imaging analysis. Meanwhile, in the second half of 2025, the Company has continued to expand its team size in countries such as India and Malaysia, including the data management and statistical analysis teams, to provide global clients with more comprehensive and high-quality round-the-clock R&D services.

In 2025, the Company's overseas clinical CRO business continued rapid growth in both revenue and profit. As of the end of the Reporting Period, the number of single-region clinical trials conducted by the Company overseas (primarily in the US, Australia, and South Korea) was 193, and the Company was conducting 48 international multi-center clinical trials (MRCTs), with cumulative experience across 164 MRCT projects.

As of December 31, 2025, the number of employees in the US region exceeded 1,000, including over 200 in clinical operations and statistical teams, as well as over 800 in preclinical and laboratory business teams. There are currently 38 clinical trials ongoing in the US region, with 17 new clinical trial projects initiated in 2025. In July 2025, after acquiring the Japanese CRO Micron, the Company has a team in Japan exceeding 200 people, possessing full-process clinical service capabilities including clinical operations, registration, medical imaging, data management and EDC, and pharmacovigilance. As of December 31, 2025, the Company's team in India has grown to over 60 people, primarily providing round-the-clock data management and statistical analysis services to clients in Europe and the US. In early 2026, the Company inaugurated a new office in Malaysia, with an initial team of over 20 people, mainly offering data management and statistical analysis services. Looking forward, the Company will continue global business expansion through team growth or potential mergers and acquisitions 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 and round-the-clock service capabilities, provide high-quality services to global clients, and help Chinese 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, GCP center operations, and subject management. Domestically, the E-site Center of Excellence has established partnerships with over 300 key centers and 98 green-channel centers, along with 8 jointly operated centers, forming a diversified and deeply integrated strategic cooperation model. In 2025, an integrated research center service platform was formed, including site management, institutional services, GCP center operations, and subject management.

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. In August 2025, the Company's MSCI ESG rating was upgraded from AA to the highest AAA rating.

As of the end of the Reporting Period, the Company had a total of 11,130 employees worldwide, covering 42 countries and regions, including more than 1,900 overseas employees. There are over 1,100 professional clinical research associates (CRAs), over 4,000 professional clinical research coordinators (CRCs), more than 970 professionals in data management and statistical analysis, and over 1,800 staff in the laboratory services team.

Looking ahead, the Company will continue to embrace regulatory reform, artificial intelligence, technological innovation, and global expansion and will continue to enhance and build an integrated clinical R&D service platform with high compliance barriers and an industry-leading technology platform, improving its end-to-end one-stop service capabilities. The Company is committed to serving domestic and global high-quality start-up biotech companies and will 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 overseas developed markets. 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, our revenue increased by 3.5% YoY from RMB6,603.1 million during the Corresponding Period to RMB6,832.8 million. Revenue generated from Clinical Trial Solutions ("**CTS**") segment was RMB3,266.8 million, as compared to RMB3,178.1 million during the Corresponding Period. Revenue generated from Clinical Related and Laboratory Services ("**CRLS**") segment increased by 4.1% YoY to RMB3,566.0 million from RMB3,425.0 million during the Corresponding Period.

Geographically, our revenue generated in the PRC increased by 4.4% YoY to RMB3,705.3 million during the Reporting Period from RMB3,547.9 million during the Corresponding Period. The reasons for the increase of our revenue generated in the PRC are detailed in the subsequent analysis by our business segment.

Our revenue generated from overseas during the Reporting Period increased by 2.4% YoY to RMB3,127.5 million from RMB3,055.2 million during the Corresponding Period, primarily driven by the growth of our overseas clinical operation business. The appreciation of RMB against U.S. dollar in 2025 had certain negatively impacted the growth of our revenue generated from overseas.

(1) CTS

During the Reporting Period, our revenue generated from CTS segment increased by 2.8% to RMB3,266.8 million from RMB3,178.1 million during the Corresponding Period. Within the CTS segment, 1) Revenue from domestic innovative drug clinical operations declined YoY, mainly due to a lower backlog for domestic innovative drug clinical trials at the year end of 2024 as a result of cyclical and structural changes in the industry which was discussed at the beginning of this section. This led to a decline in the amount of total workload of domestic innovative drug clinical trials executed by our team in 2025. In the fourth quarter of 2025, the workload of domestic innovative drug clinical trials executed by the Company had already began to recover; 2) Meanwhile, affected by the domestic competitive landscape since 2023, the average unit price of our new bookings for domestic clinical operations declined, correspondingly leading to lower revenue recognition YoY for the same amount of work as our team executed such orders in 2025. The average unit price of our new bookings for domestic clinical operations stabilized in 2025; 3) During the Reporting Period, we still had cancellations for some of our domestic innovative drug clinical trial projects. Meanwhile, we took the initiative to proactively terminate certain projects due to significant cash collection pressure and uncertainty arising from these customers' funding issues. These orders were mainly from domestic pre-revenue biotech companies relying on external financing. These cancellations had certain negative impacts on the revenue of CTS segment. For these projects, our priority during the Reporting Period is the timely collection of service fees due to us, and certain results were achieved through our efforts as our operating cash flow continued to improve YoY in 2025. With the clearance of legacy projects, industry recovery and the rebound of demand for earlier stage projects, we expect our domestic innovative drug clinical operations business to meaningfully improve in 2026.

During the Reporting Period, our overseas clinical operations business maintained relatively strong growth momentum, and revenue from clinical operations in North America continued to grow rapidly. Benefiting from the rebound in demand for earlier stage projects, particularly IND-related projects both domestically and overseas, our medical registration and regulatory affairs business within CTS segment recovered noticeably, with revenue resuming rapid YoY growth, and such growth momentum is expected to continue.

During the Reporting Period, although affected to some extent by domestic industry development and cyclic changes, which led to a decline in the average unit price of projects executed, benefiting from relatively diversified customer demand, including demand from multinational pharmaceutical companies, our medical device and pharmacovigilance businesses within CTS segment continued to achieve growth in 2025, with a faster growth rate in the second half of the year than in the first half. The growth of these businesses partially offset the impact from our domestic clinical operations business on CTS segment during the Reporting Period. Other businesses within CTS segment, such as medical translation, maintained stable business performance during the Reporting Period.

The revenue growth of other businesses within CTS segment, including our overseas clinical operations, medical device and pharmacovigilance etc., offset the decline in revenue from our domestic innovative drug clinical operations. As a result, the revenue generated from CTS segment increased YoY during the Reporting Period.

As of December 31, 2025, the Company had 663 ongoing drug clinical research projects, an increase from 646 projects as of June 30, 2025, and a decrease from 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 canceled or actively terminated for client-related reasons mentioned above. The ongoing drug clinical research projects were categorized by phase as follows:

	As of end of year/period		
	December 31, 2024	June 30, 2025	**December 31, 2025**
Stage of project			
Phase I (including PK studies)	331	276	**284**
Phase II	159	116	**119**
Phase III	203	144	**140**
Phase IV	27	15	**14**
Others	111	95	**106**
Total	831	646	**663**

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

As of December 31, 2025, 422 ongoing drug clinical research projects were being conducted in the PRC and 241 projects were being conducted overseas of which 193 projects were single-region clinical trials conducted overseas (including South Korea, Australia, Southeast Asia, Europe, and the US). The 48 ongoing multi-regional clinical trials (MRCTs) 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 number of drug clinical research projects by region is as follows:

	As of end of year/period		
	December 31, 2024	June 30, 2025	**December 31, 2025**
Region			
Single Region			
PRC	536	409	**422**
Overseas	233	194	**193**
MRCTs	62	43	**48**
Total	831	646	**663**

The Company's 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. In 2025, the Company completed the delivery of multiple DCT application platforms, launched the mobile version of its independently developed Clinical Trial Remote Monitoring (CTRM) system, and officially released it. The CTCM assessment expert function was also launched, and the Safety Portal platform 2.0 features were delivered; both the CTRM mobile platform and the Safety Portal platform completed software copyright applications in 2025. Additionally, the Company is actively exploring the African emerging market. Through its collaboration with Purpose Africa, the Tigermed DCT clinical trial platform has been deployed at AKTH, a prestigious hospital in Nigeria. The Company is also cooperating with ACRN, a clinical trial organization in Zimbabwe, on remote monitoring.

In 2025, the Company's real-world study (RWS) business made significant progress, successfully entering the global RWS supplier system of a top multinational pharmaceutical company, and was invited to present a keynote speech titled "Unlocking China's Opportunities in RWE" at the 22nd DIA Annual Meeting in Japan in October 2025, showcasing China's real-world practice experience to global regulators and industry experts. At the National Smart Medical Insurance Competition hosted by the National Healthcare Security Administration of the PRC in 2025, the Company's RWS team won first and second prizes, receiving strong endorsement from the organiser. In 2025, the Company's RWS business achieved a strategic upgrade collaboration with the Hainan Boao Lecheng International Medical Tourism Pilot Zone Administration, continuously deepening its engagement in this national policy pilot area and consolidating the Company's key node advantages in accelerating the clinical transformation of innovative drugs and medical devices; meanwhile, in cutting-edge fields such as weight loss with GLP-1 drugs, the Company successfully applied innovative designs such as "seamless follow-up", deeply integrating DCTs with digital tools, achieving simultaneous improvement in research efficiency and evidence quality.

As of December 31, 2025, the Company's registration team has cumulatively completed 1,486 registration and declaration projects. In 2025, an additional 50 IND projects from the US FDA were added, with 43 US FDA IND applications submitted and clinical approvals obtained. In 2025, the Company's registration team assisted 85 Chinese IND/MRCT applications to successfully obtain clinical approvals in multiple countries and helped one product successfully receive market approval in China. The number of clients served by the Company's registration team increased from 845 as of December 31, 2024 to 967 as of December 31, 2025.

In 2025, the Company's medical device team assisted in the successful launch of five innovative medical device products in China (cryoablation device, transcatheter tricuspid valve ring repair system, digestive endoscopic surgical robot, collagen implant, primary tremor treatment device); meanwhile, it aided in the approval of the first US biodegradable film for the treatment of intrauterine adhesions by the US FDA, passing the FDA inspection with "zero defects". During the same period, the Company's Device Division established a subsidiary in Shenzhen, further expanding its regional business layout and coverage of medical device clients in the Guangdong-Hong Kong-Macao Greater Bay Area. In 2025, the Company's medical device team was awarded the "2025 Industry Innovation Leadership Award" at the 14th China Finance Summit (CFS) and the "2025 Industry Innovation Leader Award" at the 6th International Science and Technology Innovation Festival.

By the end of 2025, the Company's global pharmacovigilance team had grown to over 190 members, continuously deepening its global layout in pharmacovigilance services, forming a comprehensive coverage of a one-stop service solution for global safety vigilance business with China as the headquarters, radiating to Europe, the US, Japan, South Korea, Southeast Asia, and other regions. In 2025, the Company's pharmacovigilance business added 189 new clients and 255 new projects; as of December 31, 2025, it had cumulatively assisted 20 Chinese Class 1 new drugs in obtaining approval.

During the Reporting Period, the Company's medical translation business acquired 83 new clients, including 42 pharmaceutical clients and 41 medical device clients, and completed approximately 460 million words of medical translation. In 2025, the Company's medical translation subsidiary, Beijing Taya Ltd. ("**Taya**"), was ranked No. 48 on CSA Research's List of Top 100 Global Language Service Providers ("**LSPs**") and was included in the 2025 List of Recommended LSPs in China. In July 2025, Taya and Macau Millennium College (MMC) jointly established the "Taya Macau Smart Medical Health Language Service Laboratory" to explore multilingual disease information translation pathways and applications. In 2025, the Company's independently developed search-inquiry topic platform "Smart Medical Inquiry" and the AI-focused translation platform "YIYA AI Intelligent Translation Platform" were both launched for sale; in October, the Company's self-developed "AI Intelligent Medical Writing Platform" was launched and put into commercial use.

(2) *CRLS*

Revenue generated from our CRLS segment during the Reporting Period increased by 4.1% YoY to RMB3,566.0 million from RMB3,425.0 million during the Corresponding Period.

In 2025, benefiting from robust business demand, particularly orders from multinational pharmaceutical companies, our Site Management Organization ("**SMO**") business within CRLS segment maintained its fast revenue growth YoY. Meanwhile, our Data Management and Statistical Analysis ("**DMSA**") business within the segment delivered relatively stable performance during the Reporting Period.

Revenue from our laboratory services was broadly flat compared with the Corresponding Period, mainly due to the slower-than-expected recovery of Frontage Holdings' U.S. business affected by the U.S. industry cycle, as well as the intense competition in the domestic market impacting its China operations. During the Reporting Period, the central lab business consolidated into our financial statements at the end of 2024 also contributed to the revenue of our CRLS segment.

In 2025, the medical imaging business within CRLS segment achieved another year of sound growth benefitting from rising demand for oncology clinical trials. Other businesses within CRLS segment, such as patient recruitment, were negatively affected by domestic industry development and cyclic changes, with the average unit price of executed projects continuing to decline YoY.

In 2025, the Company's SMO team completed 436 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 as of the end of 2024 to 2,753. As of December 31, 2025, the Company's professional CRC team has grown to over 4,000 members, covering more than 150 cities nationwide, with over 700 research collaboration centers, achieving a 100% coverage rate for institution selection SMO. In 2025, the Company's site management projects underwent over 200 inspections by the NMPA's offices at national or provincial levels, all passing successfully; aiding in the approval of 30 Class 1 new drugs in China. As of December 31, 2025, it has provided SMO site management services for 110 approved Class 1 new drugs in China.

In 2025, the Company expanded its data management and statistical analysis services to overseas statistical functional service provider business, offering various models including customized, full-service, hourly calculation, and team embedding to provide global clients with more comprehensive and high-quality round-the-clock services. As of December 31, 2025, the Company has over 800 global statistical professionals, significantly expanding the team size in India, Taiwan, and the Asia-Pacific region compared to that as of the end of 2024; the number of global clients increased from 407 as of December 31, 2024 to 439, and the number of projects executing increased from 842 as of December 31, 2024 to 984. In 2025, the Company's data management and statistical analysis team assisted in the successful approval and launch of 7 innovative drugs in China and overseas.

In 2025, the Company's laboratory services team assisted in the successful approval and launch of multiple innovative drugs in China and overseas, covering various therapeutic areas involving antiviral, GLP-1 weight loss, anti-tumor, and neurological diseases. In the second half of 2025, Frontage Holdings announced plans to acquire Teddy Clinical Research Laboratory (Shanghai) Ltd., which primarily engages in central laboratory services, marking further integration of the Company's laboratory services business. In 2025, Frontage's laboratories in Shanghai and Suzhou passed the FDA's unannounced inspection with zero defects, the central laboratory obtained certification from the American College of American Pathologists, and a strategic partnership was formed with Korea's Global Clinical Central Lab to strengthen global clinical trial service capabilities. As of December 31, 2025, Frontage Holdings had cumulatively passed over 180 NMPA inspections and over 70 FDA inspections.

In 2025, the Company's central imaging team provided independent imaging assessment services for 16 products approved in China and the US. As of December 31, 2025, the Company has cumulatively supported the approval and market launch of 52 products. In 2025 alone, 40 new clients were added and 70 new projects were initiated. As of December 31, 2025, the Company serves more than 170 clients worldwide and has cumulatively conducted over 370 clinical medical imaging assessment projects. Project experience spans Phase I through Phase IV clinical trials, as well as RWS. In 2025, newly signed projects expanded beyond the Company's established focus areas, including solid tumors, lymphoma, and gastrointestinal diseases, to include medical aesthetics, further broadening the scope of therapeutic areas covered.

Gross Profit

During the Reporting Period, we realized a gross profit of RMB1,873.2 million compared to RMB2,242.0 million during the Corresponding Period, representing a 16.4% decrease. Our gross profit margin decreased from 34.0% during the Corresponding Period to 27.4% during the Reporting Period.

Our cost of services increased from RMB4,361.1 million during the Corresponding Period to RMB4,959.6 million during the Reporting Period.

Below is a breakdown of our cost of services by nature and their percentage of our revenue during the periods indicated:

	Year ended December 31,	
	2025	2024
	RMB million	*RMB million*
Direct labour costs	**2,322.7**	2,234.3
% of revenue	***34.0%***	*33.8%*
Direct project-related costs	**1,724.8**	1,368.8
% of revenue	***25.2%***	*20.7%*
Overhead costs	**912.1**	758.0
% of revenue	***13.4%***	*11.5%*
Total cost of services	**4,959.6**	4,361.1
% of revenue	***72.6%***	*66.0%*

(1) CTS

The gross profit of the CTS segment decreased by 30.2% YoY from RMB939.5 million during the Corresponding Period to RMB656.1 million during the Reporting Period. The gross profit margin of the CTS segment decreased to 20.1% during the Reporting Period from 29.6% during the Corresponding Period.

The significant YoY decline in CTS segment's gross profit margin in 2025 are mainly due to 1) the average unit price of orders executed for our domestic clinical operations business decreased YoY in 2025, correspondingly resulting in a reduction in revenue against the same cost incurred for the execution of such orders. Meanwhile, we maintained a professional and stable domestic clinical operations team to ensure high-quality clinical operation services for our customers. In the second half of 2025, we resumed the expansion of our operation team in certain regions in China to meet the business demand from higher backlogs in those areas; 2) during the Reporting Period, some of our domestic innovative drug clinical operations orders (mostly signed before 2024) were cancelled, while certain other orders were proactively terminated by us due to significant cash collection pressure and uncertainty arising from customers' funding issues. The Group had incurred costs on these projects. These orders were mainly from domestic pre-revenue biotech companies relying on external financing, which had lowered the revenue of CTS segment and therefore had a significantly negative impact on the gross profit margin of CTS segment.

During the Reporting Period, the gross profit margins of other businesses within CTS segment, such as medical devices, medical registration and regulatory affairs, and medical translation, remained relatively stable. Although these businesses were negatively affected by the development and cyclic changes of the domestic industry, and thus with a decline in the average unit price of executed projects, our effective cost control on these businesses mitigated potential substantial fluctuations in their gross profit margins.

(2) CRLS

The gross profit of the CRLS segment realized during the Reporting Period was RMB1,217.1 million as compared to RMB1,302.5 million during the Corresponding Period. The gross profit margin of the CRLS segment decreased by 3.9% from 38.0% during the Corresponding Period to 34.1% during the Reporting Period.

The YoY decline in the gross profit margin of the CRLS segment was mainly due to the relatively faster revenue growth of our SMO business compared with other businesses within CRLS segment, while the gross profit margin of our SMO business was lower than that of the overall CRLS segment. The gross profit margin of our central lab business that was consolidated into our financial statements at the end of 2024 was also lower than CRLS segment's overall gross profit margin.

During the Reporting Period, the gross profit margin of our SMO business remained relatively stable YoY. Our SMO business maintained its industry leading profitability, partly benefitting from the fact that our SMO team executed a meaningful number of orders from multinational pharmaceutical companies with relatively better profitability. In the same period, the gross profit margin of our DMSA business declined YoY, mainly due to the increased proportion of overseas execution teams that bear higher cost to the Company. That said, the profitability of our DMSA business remained at a relatively high level.

During the Reporting Period, the gross profit margin of our laboratory services was relatively stable YoY, but still below the healthy level seen in earlier years. The utilization rate of Frontage Holdings' preclinical lab facilities newly built in 2024 and before, as well as labs in both China and North America, continued to improve in 2025. The impact of fixed costs, including depreciation, associated with Frontage Holdings' new businesses and new lab facilities on its gross profit margin stabilized in 2025. Going forward, improved capacity utilization driven by new orders is expected to support a rebound in the gross margin of our laboratory services. During the Reporting Period, the gross profit margins of other businesses within CRLS segment, such as medical imaging, were relatively stable compared with the Corresponding Period.

Workforce

The number of our total employees reached 11,130 as of December 31, 2025 from 10,251 as of June 30, 2025, and from 10,185 as of December 31, 2024. Below is a breakdown of our employees by function and by region as of December 31, 2025:

	Number of employees				
Function	**PRC**	**Asia Pacific (excluding PRC)**	**Americas**	**EMEA**	**Total**
Project operation and scientists	8,235	715	872	86	9,908
Marketing and business development	487	54	68	12	621
Management and administration	444	45	102	10	601
Total	**9,166**	**814**	**1,042**	**108**	**11,130**

During the Reporting period, the number of our employees in the PRC increased to 9,166 as of December 31, 2025 from 8,542 as of June 30, 2025 and 8,559 as of December 31, 2024. The increase in our headcount was in China was primarily because we hired new clinical research coordinators to satisfy our growing site management business needs, and our consolidation of subsidiaries Shanghai Bioquick Pharmaceutical Supply Chain Management Co., Ltd. (上海佰誠醫藥供應鏈管理有限公司) and JetMed(Beijing) Co., Ltd (傑諾醫學研究(北京)有限公司) during the Reporting Period.

The number of overseas employees increased to 1,964 as of December 31, 2025 from 1,709 as of June 30, 2025 and 1,626 as of December 31, 2024. The primary reason for the increase was the expansion of our team in Japan. During the Reporting Period, we increased the headcount of our clinical operations, project management, and business development teams in key overseas markets, and also significantly expanded our overseas data management and statistical analysis teams. As a key part of our business growth and sustainable development strategy, we expect to continue expanding our relevant 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 talent.

Selling and Marketing Expenses

Our selling and marketing expenses increased by 13.1% YoY from RMB207.6 million during the Corresponding Period to RMB234.7 million during the Reporting Period, which was primarily due to i) an increase in the number of employees in our business development and marketing team in both China and overseas as our push to increase our new bookings and initiatives to expand global business; ii) an increase in the compensation levels for certain of our business development and marketing employees who met or exceeded their performance expectations. The increase was partially offset by a 7.5% YoY decrease of publicity related expenses in 2025, partly because we spent less on sponsoring, publicizing and conferences as we benefitted from our increased brand recognition.

Administrative Expenses

Our administrative expenses were slightly decreased by 1.5% YoY from RMB736.8 million during the Corresponding Period to RMB725.9 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; ii) consulting expenses decreased by 15.0% from RMB84.8 million during the Corresponding Period to RMB72.1 million during the Reporting Period; iii) insurance expenses amounting to RMB9.9 million during the Reporting Period, decreasing by RMB3.4 million from RMB13.3 million during the Corresponding Period, representing a change of 25.6%.

R&D Expenses

Our R&D expenses increased by 8.1% YoY from RMB238.4 million during the Corresponding Period to RMB257.6 million during the Reporting Period. The increase was primarily due to i) the cost of experimental materials increased by 38.5%, rising from RMB3.9 million during the Corresponding Period to RMB5.4 million during the Reporting Period. This increase was mainly due to the fact that the Group's subsidiary, Teddy Clinical Research Laboratory (Shanghai) Ltd., was only included in the consolidation scope for three months in 2024, which was fully reflected in 2025; ii) the compensation of R&D personnel increased by 6.7% YoY, which also reflected our emphasis on R&D investment.

Investment Income

Our investment income during the Reporting Period increased by 160.4% YoY to RMB433.8 million from RMB166.6 million during the Corresponding Period, primarily due to i) a RMB120.0 million increase in investment income generated from the disposal of financial assets during the Reporting Period; and ii) the share of profit of associates increased by 534.2% from RMB31.3 million during the Corresponding Period to RMB198.5 million during the Reporting Period.

Changes in Fair Value

The changes in fair value was a gain of RMB42.3 million during the Reporting Period from a loss of RMB501.7 million during the Corresponding Period, mainly due to the share price increase of some of our listed equity portfolio during the Reporting Period.

Finance Cost (net)

Our finance costs was RMB99.9 million during the Reporting Period, increasing by 162.2% YoY from RMB38.1 during the Corresponding Period. The change of finance costs is primarily due to i) a substantial exchange loss of RMB16.9 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 of RMB75.1 million in the interest income from RMB90.2 million during the Corresponding Period to RMB15.1 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 8.5% from RMB216.6 million during the Corresponding Period to RMB198.2 million during the Reporting Period. Our effective tax rate decreased from 32.6% during the Corresponding Period to 19.8% during the Reporting Period, primarily due to the increase of our non-taxable income which resulted in a comparatively lower effective tax rate.

Profit for the Year

As a result of the foregoing discussions, our profit for the period increased by 79.8% from RMB447.8 million during the Corresponding Period to RMB805.1 million during the Reporting Period. The profit attributable to owners of the Company increased by 119.2% from RMB405.1 million during the Corresponding Period to RMB887.9 million during the Reporting Period, and the profit/(loss) attributable to non-controlling interests decreased from RMB42.7 million during the Corresponding Period to RMB(82.8) 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.

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

	For the Year ended December 31,	
	2025	2024
	RMB million	*RMB million*
Profit attributable to owners of the Company	**887.9**	405.1
Adjusted for:		
Gain on disposal of non-current assets(1)	**(2.6)**	(3.6)
Government grants(2) included in the profit or loss for the period	**(41.6)**	(32.9)
Gain on entrusting to invest or manage assets	**(72.3)**	(78.1)
(Gain)/loss 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)	**(350.6)**	476.9
Share-based payment expenses recognized at one time due to cancellation or modification of the share incentive schemes	**–**	34.5
Other items that meet the definition of non-recurring profit or loss	**(45.0)**	(55.8)

	For the Year ended December 31, 2025 *RMB million*	2024 *RMB million*
Other non-operating income and expenses apart from the above items	**5.2**	3.5
Effect of income tax	**93.0**	63.1
Effect of minority interests (after tax)	**(118.9)**	42.2
Net profit attributable to shareholders of the listed company after deducting extraordinary gain or loss	**355.1**	854.9
Margin of net profit attributable to shareholders of the listed company after deducting extraordinary gain or loss[(4)]	**5.2%**	12.9%

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 or 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%.

During the Reporting Period, our Non-CASBE net profit attributable to shareholders of the listed company after deducting extraordinary gain or loss was RMB355.1 million, representing a YoY decrease of 58.5% from RMB854.9 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 12.9% during the Corresponding Period to 5.2% during the Reporting Period.

Cash Flows

	Year ended December 31,	
	2025	2024
	RMB million	*RMB million*
Net cash generated from operating activities	**1,118.1**	1,097.0
Net cash generated from/(used in) investing activities	**491.6**	(4,739.1)
Net cash used in financing activities	**(1,926.7)**	(1,702.4)

During the Reporting Period, our net cash generated from operating activities was RMB1,118.1 million, representing a 1.9% increase from RMB1,097.0 million during the Corresponding Period. The increase was primarily due to a 6.9% YoY increase in the cash received from sales of goods or rendering of services. The increase was offset by a 2.5% YoY increase in the salary payments to our employees from RMB3,123.7 million during the Corresponding Period to RMB3,201.5 million during the Reporting Period.

During the Reporting Period, our net cash generated from investing activities was RMB491.6 million, a significant improvement compared to net cash used of RMB4,739.1 million during the Corresponding Period. This RMB5,230.7 million shift from net cash outflow to inflow was primarily driven by: i) higher cash receipts from investment income during the Reporting Period mainly arising from the disposal of 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); and ii) lower cash outflows for acquiring investment compared to the Corresponding Period. Specifically, cash outflows for the acquisition of bank structured deposits and other wealth management products were reduced by RMB4,502.1 million compared to the Corresponding Period, reflecting a disciplined approach to liquidity management and a strategic shift towards deleveraging.

During the Reporting Period, our net cash used in financing activities was RMB1,926.7 million, compared with RMB1,702.4 million net cash used in financing activities during the Corresponding Period. The increase in net cash used was primarily due to a RMB735.1 million increase in net bank borrowing repayments, offset in part by lower cash outflows for dividend distributions, interest payments and other financing-related payments with the amount of RMB433.2 million in total.

The Group primarily uses Renminbi 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 our H Share IPO in August 2020, and we expect to utilize that to satisfy our future funding needs.

As of December 31, 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.

Trade, Bills and Other Receivables

Our trade receivables increased by 3.4% from RMB1,359.8 million as of December 31, 2024 to RMB1,405.7 million as of December 31, 2025, as we increased our revenue.

Our bills receivables increased by RMB1.0 million from RMB6.0 million as of December 31, 2024 to RMB7.0 million as of December 31, 2025, primarily due to our flexible and diversified collection arrangements, which also reflect the sound and trusting relationship between our Company and the sponsors.

Our other receivables increased by 22.9% from RMB89.0 million as of December 31, 2024 to RMB109.4 million as of December 31, 2025, primarily due to some proceeds from the disposal of financial assets that have not yet been received as of December 31, 2025.

Trade and Other Payables

Our trade payables increased by 41.9% from RMB257.3 million as of December 31, 2024 to RMB365.2 million as of December 31, 2025, primarily due to the increase in payables on cost and expense, resulting from the expansion of our operation.

Our other payables decreased by 3.0% from RMB76.8 million as of December 31, 2024 to RMB74.5 million as of December 31, 2025, primarily due to a decrease in interest expense payable resulted from the decrease of the short-term borrowing at period end.

Contract Assets and Contract Liabilities

Our contract assets increased by 3.2% from RMB2,504.7 million as of December 31, 2024 to RMB2,585.0 million as of December 31, 2025, due to 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 36.5% from RMB790.7 million as of December 31, 2024 to RMB1,079.2 million as of December 31, 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 increased by 52.6% from RMB778.5 million as of December 31, 2024 to RMB1,188.2 million as of December 31, 2025, primarily due to i) the completion of the Group headquarters, the Tigermed Park, which was transferred from Construction in Progress to Property. The Tigermed Park, located by the Qiantang River, is a bio-pharmaceutical technology R&D ecological zone with premium riverfront views and ultra-low floor area ratio; ii) transferring from right-of-use assets to property, plant and equipment, made by our subsidiary, Frontage, as of December 31, 2025.

Construction in Progress

Our construction projects decreased from RMB420.5 million as of December 31, 2024, to RMB110.6 million as of December 31, 2025, representing a 73.7% YoY decrease, which was primarily due to the completion of construction in progress at the Group headquarters.

Intangible Assets

Our intangible assets decreased by 18.0% from RMB336.9 million as of December 31, 2024 to RMB276.3 million as of December 31, 2025, primarily due to the amortisation of the customer relationship mainly related to acquisitions.

Right-of-use Assets

Our right-of-use assets decreased by 16.1% from RMB487.2 million as of December 31, 2024 to RMB408.9 million as of December 31, 2025, primarily due to i) reclassification to property, plant and equipment of RMB57.3 million upon exercise of purchase options made by our subsidiary, Frontage; ii) disposal and early termination of lease arrangements totaling RMB118.3 million; and iii) depreciation of RMB115.7 million. The decrease was partially offset by additions from new leases of RMB102.1 million.

Long-term Equity Investment

Our long-term equity investment increased from RMB3,424.6 million as of December 31, 2024 to RMB4,498.8 million as of December 31, 2025, primarily in relation to the capital injection of RMB1 billion 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 had 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 decreased by 2.8% from RMB10,188.8 million as of December 31, 2024 to RMB9,908.2 million as of December 31, 2025. The decrease was a combined result of continuing successful exits from historical projects through IPOs and fund exits and partially offset by the increase of fair value of our listed equity investments.

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

	As of December 31, 2025 *RMB'000*	As of December 31, 2024 *RMB'000*
Non-current financial assets		
– Life insurance policies	**1,541**	4,032
– Listed equity securities	**939,433**	67,523
– Unlisted equity investments	**4,124,166**	5,000,911
– Unlisted fund investments	**4,611,835**	4,932,666
– Unlisted debt instruments	**171,807**	108,864
Total non-current financial assets	**9,848,782**	10,113,996
Current financial assets		
Financial assets		
– Financial products	**54,595**	50,000
– Unlisted debt instruments	**4,864**	24,853
Total current financial assets	**59,459**	74,853
Total financial assets	**9,908,241**	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 efforts of emerging companies in the space of therapeutics, medical device, life science tools and healthcare technology 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. There were certain legacy companies with obsolete technology or pipeline in our investment portfolio, most of which were unlisted equity investments made before 2022 in the previous industry cycle. The fair value of certain legacy companies decreased significantly in 2025 because of either valuation adjustment by independent external valuer or our proactive risk management. In the meantime, as the industry evolved into a new growth stage with the emergence of a new generation of early-stage companies with globally competitive technology and pipeline, we continued to make new investments in accordance with our updated industry view and strategy during the Reporting Period.

As of December 31, 2025, we were a strategic investor in 206 innovative companies and other related companies in the healthcare industry, as well as a limited partner in 55 professional investment funds.

During the Reporting Period, we realized a gain of RMB467.0 million from exiting our investments in companies and investment funds, as measured by the exit amount against our initial investment cost, compared with RMB74.7 million during the Corresponding Period.

Our investments in listed equity securities amounted to RMB939.4 million as of December 31, 2025, representing a 1,291.7% increase from RMB67.5 million as of December 31, 2024. The significant increase was primarily due to i) our unlisted equity investments valued at RMB231.4 million were transferred to listed equity securities during the Reporting Period as certain of our unlisted equity portfolio companies became publicly traded; and ii) a fair value increase of RMB666.6 million during the Reporting Period as the share price of some of our listed equity portfolio increased during the Reporting Period.

Our unlisted equity investments amounted to RMB4,124.2 million as of December 31, 2025, representing a 17.5% decrease from RMB5,000.9 million as of December 31, 2024. The decrease was primarily due to i) a RMB446.8 million disposal of investments as we exited some of our unlisted equity investments during the Reporting Period; and ii) the significant decrease in the fair value of certain legacy companies in our unlisted equity portfolio during the Reporting Period resulted from either valuation adjustment by independent external valuer or our proactive risk management. The decrease was partially offset by our continuing investments made in unlisted equity investments.

Our unlisted fund investments amounted to RMB4,611.8 million as of December 31, 2025, representing a 6.5% decrease from RMB4,932.7 million as of December 31, 2024. The decrease was primarily due to i) a RMB290.1 million disposal of investments as several funds we invested exited some of their portfolio and distributed the proceeds to us during the Reporting Period; and ii) a RMB75.9 million decrease in fair value. The decrease was partially offset by the additional fund investments of RMB63.0 million during the Reporting Period.

Our life insurance policies amounted to RMB1.5 million as of December 31, 2025, representing a 62.5% decrease from RMB4.0 million as of December 31, 2024, which was mainly related to DreamCIS, our controlled subsidiary in South Korea.

Our unlisted debt instruments amounted to RMB176.7 million as of December 31, 2025, representing a 32.2% increase from RMB133.7 million as of December 31, 2024, primarily due to our new investment of several debt instruments during the Reporting Period.

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

	Unlisted equity investments *RMB'000*	**Unlisted fund investments** *RMB'000*	**Listed equity securities** *RMB'000*	**Life insurance policies** *RMB'000*	**Unlisted debt instrument** *RMB'000*	**Financial Products** *RMB'000*	**Total** *RMB'000*
Opening balance	5,000,911	4,932,666	67,523	4,032	133,717	50,000	10,188,849
Additions	304,543	62,959	959	1,726	100,048	247,836	718,071
(Transfer to listed companies)/ transfer from non-listed companies	(231,401)	–	231,401	–	–	–	–
(Transfer to non-listed companies)/transfer from unlisted debt instrument	3,000	–	–	–	(3,000)	–	–
Fair value change during the Reporting Period	(497,483)	(75,867)	666,574	(885)	(14,996)	259	77,602
Disposals of shares	(446,809)	(290,128)	(20,262)	(3,363)	(39,464)	(243,500)	(1,043,526)
Exchange realignment	(8,595)	(17,795)	(6,762)	31	366	–	(32,755)
Ending Balance	**4,124,166**	**4,611,835**	**939,433**	**1,541**	**176,671**	**54,595**	**9,908,241**

Indebtedness

Borrowings

The Group had RMB1,123.4 million outstanding borrowings as of December 31, 2025, of which RMB612.8 million were short-term and RMB510.6 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 December 31, 2025, 70.8% of our borrowings were denominated in RMB, while 28.6% were denominated in USD. As of December 31, 2025, the total unutilized banking facilities available to the Group was RMB6,237.7 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 4.6% as of December 31, 2025.

Lease Liabilities

We had outstanding aggregated lease liabilities (for the remainder of relevant lease terms) of RMB460.3 million as of December 31, 2025, decreased by 11.1% from RMB517.6 million as of December 31, 2024, primarily due to the repayment of lease liabilities. Of the aggregated lease liabilities as of December 31, 2025, RMB99.7 million were due within one year and RMB360.6 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 December 31, 2025.

Contingent Liabilities

As of December 31, 2025, the Group had no contingent liabilities.

Capital Commitments

As of December 31, 2025, the Group had the total capital commitments entered but outstanding and not provided for in the financial statements amounting to approximately RMB364.8 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 around RMB275.2 million (December 31, 2024: approximately RMB234.8 million).

In addition, the Group entered into a subscription agreement to subscribe 50.0% equity interests in an associate, Hangzhou Taikun in 2021. The Group has committed to invest additional capital in Hangzhou Taikun, amounting to RMB6 billion as of December 31, 2025. The capital commitment by the Group shall be paid subject to the notice to be issued by the general partner of Hangzhou Taikun according to the capital needs of Hangzhou Taikun.

Significant Investments Held

As of December 31, 2025, saved for the investment as mentioned below, the Group did not hold any significant investments and none of the above-mentioned investments constituted a significant investment to our Group.

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 December 31, 2025, our Group has paid up RMB4,000 million 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 healthcare industry.

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

As of December 31, 2025, the carrying amount of our investment in Hangzhou Taikun was RMB4,141.8 million, accounting for 14.6% of the total assets of the Group.

As of December 31, 2025, Hangzhou Taikun had a net asset of RMB8,283.6 million, and generated a profit of RMB421.3 million during the Reporting Period. The Group received investment income of RMB187.9 million 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 reputation.

Core Competence Analysis

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

1. *Rich experience in project execution*

   As a leading clinical 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 2025, we have provided service for 49 approved Class I new drugs in China. As of December 31, 2025, we had worked on over 164 global MRCTs.

2. *Globally synchronized operation and management*

We have set up branch offices and local operation teams in many countries and regions on all continents (including North America, Europe, Australia and Japan 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. In the second half of 2025, we further expanded our teams, specifically for our data management and statistical analysis business, in countries such as India and Malaysia, aiming to provide global customers with more comprehensive, resilient and high-quality round-the-clock research and development services. Meanwhile, we have also expanded our overseas customer base and operational capacity through the strategic acquisition of overseas CRO companies. As of December 31, 2025, our global workforce has reached 11,130 employees, including over 1,900 overseas employees and covering over 42 countries and regions 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 clinical CRO companies, 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, preclinical 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 (AI) 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 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 2025, we have provided services for 61% 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 December 31, 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. *Provision of full life-cycle services for our customers*

   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

1. 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. On July 17, 2025, the Company convened its seventeenth meeting of the fifth session of the Board, and reviewed and approved the sale of equity in a subsidiary – Lixin Pharmaceutical Technology (Shanghai) Co., Ltd. (禮新醫藥科技(上海)有限公司) ("**Lixin Pharmaceutical**"). For details, please refer to the announcement of the Company dated July 17, 2025.

3. 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.

4. 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.

5. 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 were duly passed by the Shareholders at the 2025 first extraordinary general meeting of the Company on September 29, 2025. For details, please refer to the announcements of the Company dated August 28, 2025 and September 29, 2025, and the circular of the Company dated September 9, 2025.

6. On October 10, 2025, the Company, Jiaxing Xinge Medical Consulting Co., Ltd.* (嘉興欣格醫藥科技有限公司), a wholly-owned subsidiary of the Company (together with the Company, the "**Vendors**"), and Frontage Laboratories (Shanghai) Co., Ltd.* (方達醫藥技術(上海)有限公司) (the "**Purchaser**"), a wholly-owned subsidiary of Frontage Holdings Corporation, entered into a share transfer agreement, pursuant to which the Purchaser has conditionally agreed to acquire, and the Vendors have conditionally agreed to sell the entire issued share capital of Teddy Clinical Research Laboratory (Shanghai) Ltd.* (上海觀合醫藥科技股份有限公司), at the total consideration of RMB270,000,000. The acquisition was completed on March 3, 2026. For details, please refer to the announcements of the Company dated October 10, 2025 and March 3, 2026.

7. On December 11, 2025, the Company convened the twentieth meeting of the fifth session of the Board, pursuant to which the Board considered, passed a resolution to approve the confirmation of the member and convenor of the Audit Committee of the fifth session of the Board. For details, please refer to the overseas regulatory announcement of the Company dated December 11, 2025.

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

Industry Outlook

In recent years, the demand for biopharmaceutical research and development (R&D) in China has fluctuated significantly due to the combined effects of the global macroeconomic environment, the cycle of the biopharmaceutical industry and domestic policy conditions. Some clients have a cautious risk appetite, and many unprofitable start-up biotech companies are facing cash flow pressures. Coupled with the intensified competition in the industry since 2022, China's clinical research outsourcing (CRO) industry is therefore under significant competitive intensity and growth challenges. By the end of 2024, some small and medium-sized clinical CROs have begun to gradually scale back their operations. In 2025, the optimization trend on the supply side continues; it has been observed that the number of active clinical CROs in our country has decreased compared to 2024. According to the registration data of human genetic resources from the National Health Commission (NHC) of the People's Republic of China (PRC), the number of clinical CRO companies registered in 2025 has decreased by 69% compared to the peak in 2021. Only 6 clinical CRO companies appeared in the registration for the first time in 2025, further down from 18 in 2024. Meanwhile, 120 sponsors appeared in the registration for the first time in 2025, returning to a growth trend compared to 100 in 2024. The further integration of the clinical research outsourcing industry has gradually led to benign competition within the industry.

Since 2015, the biopharmaceutical industry in China has developed rapidly. 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. 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. In 2025, driven by a global 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 world's leading levels. In 2025, a total of 77 Class 1 new drugs were approved by the National Medical Products Administration

(NMPA), a substantial increase from 48 in 2024, continuing to set a historical high. Simultaneously, the Center for Drug Evaluation (CDE) under the NMPA announced 2,333 Phase I-III clinical trials for innovative drugs, significantly higher than the 1,858 announced for the full year of 2024. In 2025, China had 2,703 Investigational New Drug (IND) applications approved, up 19% YoY, and 1,168 Phase I clinical trials initiated, up 13% YoY; and the YoY growth rates were significantly higher than in 2024.

In recent years, China has gradually integrated into the international R&D system, becoming an important contributor to global innovation. According to incomplete statistics, nearly 30% of the global innovative drug research pipelines in 2025 come from Chinese enterprises. 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 IND applications approved by the Food and Drug Administration (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. About one-third of China's innovative drug pipeline belongs to new therapies, including bispecific antibodies, cell and gene therapies, small interfering RNA, and antibody-drug conjugates.

Meanwhile, in 2025, clinical trial data from China was, for the first time, substantially replicated in clinical trials in the United States (US), 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 will gradually begin to empower global R&D pipelines. China's clinical research industry has notable advantages in time and cost efficiency, particularly in patient recruitment. According to data from single-region clinical trials from 2020 to 2024, the patient recruitment speed in China is approximately 2–5 times faster than the global average, with recruitment efficiency in core therapeutic areas such as metabolism, oncology, and immunology significantly exceeding the global median. In oncology clinical studies, the median time for patient recruitment in Phase I to III clinical trials in China is significantly shorter than that in the US, showcasing outstanding R&D efficiency (data may not be comprehensive).

In recent years, 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 2025, upfront payments from domestic companies' outbound licensing deals reached USD7 billion, up 70.73% YoY, with the potential total deal value reaching USD135.7 billion, up 159.96% YoY. The number of transactions was 158, up 61.22% 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 biopharmaceutical industry.

Note: The above data is sourced from the NextPharma database, including only transactions related to innovative drugs and technology platforms, while excluding transactions related to traditional Chinese medicine, preventive vaccines, generic drugs, improved new drugs, and biosimilars; the transaction amounts only account for publicly disclosed data; statistics on Chinese transaction data include only the data from the Chinese Mainland, excluding the data from Hong Kong SAR, Macau SAR and Taiwan Region.

Active outbound licensing transactions not only allow innovative drug companies to realize part of their pipeline rights in advance, effectively alleviating the cash flow pressure faced by some unprofitable clients that rely on external financing; they also enable collaboration with overseas pharmaceutical companies, leveraging their clinical resources and distribution networks to accelerate the global approval and commercialization process of pipelines, helping companies achieve self-sufficiency sooner. More importantly, this trend has driven the value rebound of Chinese innovative drug assets, thereby improving liquidity in the capital market. In the second half of 2025, the investment and financing activities in the primary market of biomedicine showed significant recovery; throughout 2025, the number of industry merger and acquisition cases gradually increased, and the exit mechanism for the primary market in the field of innovative drugs was effectively repaired and optimized.

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, National Healthcare Security Administration (NHSA) of the PRC 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. In June, 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. In July, the NHSA, jointly with the NHC of the PRC, 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 Reimbursement Drug List (NRDL) and the Commercial Health Insurance Innovative Drug List (CHIIDL), 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. Additionally, cities such as Beijing, Shenzhen and Chengdu have introduced favorable policies to encourage the development of innovative drugs. In October, the State Council of the PRC announced the Regulations on the Administration of Clinical Research and Clinical Translational Application of New Biomedical Technologies, which will come into effect on May 1, 2026. This aims to regulate the clinical studies and translational applications of new biomedical technologies such as cell therapy and gene therapy, clarify the regulatory framework for the entire process, and delineate the path for the industrialization of cutting-edge technologies. The 2025 edition of the NRDL and the first-ever CHIIDL, released in December, added 114 new drugs (111 of which are new drugs launched in the past five years) and included 19 high-value innovative drugs, marking the official establishment of a diversified payment structure of "basic insurance coverage by medical insurance, supplemented by commercial insurance for high-value drugs".

In recent years, the domestic innovative drug pipeline has continued to develop in a diversified and balanced manner, with an expanding coverage of therapeutic areas. The proportion of oncology in the innovative pipeline has declined, while the shares of immunology, metabolism, and anti-infection fields have steadily increased, leading to a more rational pipeline structure. Meanwhile, in the fields of antibody-drug conjugates (ADC), cell and gene therapy (CGT), bispecific/trispecific antibodies (BsAb/TsAb), nucleic acid drugs (e.g. siRNA, RNAi and mRNA), and nuclear medicines, China has been actively laying out early-stage innovative assets, occupying an important position in the global market. The proportion of innovative assets in various sub-sectors remains high, and their contribution to global next-generation technology innovation continues to rise. Meanwhile, several approved domestic new drugs have achieved leading positions in different therapeutic areas within China and are gradually making commercial breakthroughs in the global market.

In the future, China's innovative assets are expected to further enhance their contribution to the global pharmaceutical ecosystem. Currently, they are in the "rapid follower" stage, having made significant impacts in therapeutic areas with substantial market potential, clear regulatory pathways for leading compounds, but not yet established high commercialization barriers. The short-term goal is to "create new combined assets/therapies", continuously increasing contributions in areas such as ADC, BsAb/TsAb, and CGT. The mid-term goal is to "optimize validated targets", relying on higher R&D efficiency and abundant preclinical and clinical resources to continuously enhance the contribution of innovative assets across various technological fields. The ultimate goal is to "create entirely new pathways/biological routes", achieving a core contribution of Chinese innovation to the global ecosystem.

With the recovery of the domestic biopharmaceutical industry, the demand for clinical research outsourcing services has rebounded, and since 2025, customer enthusiasm for early inquiries has noticeably increased. 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 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 the growth of long-term clinical demand.

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 or technology*

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. In addition, frontier technologies such as artificial intelligence are being increasingly applied into the biopharmaceutical R&D industry. Whilst we have attached great importance to the latest development of these regulations, policies and technology, 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, policies or technology 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 action 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 businesses, 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 Corresponding Period and the Reporting Period, we recorded a negative change in fair value of financial assets at FVTPL in the amount of RMB501.7 million and a positive change of RMB42.3 million, respectively. There is no guarantee that the changes in fair value of our financial assets at FVTPL can 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 RMB0.7 million and RMB118.0 million, respectively. There is also no guarantee that we will continue to 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. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

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 employees increased to 11,130 as of December 31, 2025 from 10,185 as of December 31, 2024.

The number of domestic employees increased from 8,559 as of December 31, 2024 to 9,166 as of December 31, 2025. The increase in our headcount in China was primarily because we hired new clinical research coordinators to satisfy our growing site management business needs, and our consolidation of subsidiaries Shanghai Bioquick Pharmaceutical Supply Chain Management Co., Ltd. (上海佰誠醫藥供應鏈管理有限公司) and JetMed(Beijing) Co., Ltd (傑諾醫學研究(北京)有限公司) during the Reporting Period.

The number of overseas employees increased from 1,626 as of December 31, 2024 to 1,964 as of December 31, 2025 mainly due to the expansion of our team in Japan. During the Reporting Period, we increased the headcount of our clinical operations, project management, and business development teams in key overseas markets, and also significantly expanded our overseas data management and statistical analysis teams. As a key part of our business growth and sustainable development strategy, we expect to continue expanding our relevant 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 talent.

We enter into individual employment contracts with our employees covering matters such as wages, bonuses, employee benefits, workplace safety, confidentiality obligations, non- competition and grounds for termination. These employment contracts typically have terms of three years. We also provide competitive salaries, bonus 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 bylaws 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 0.7% of the total issued 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 December 31, 2025, the Company held 5,883,780 A Share treasury shares which could be used to implement the A Share equity incentive scheme or A Share employee stock ownership plan.

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[(1)], after deducting the underwriting commission and other estimated expenses payable by the Company in connection with the H Shares Offering.

On March 28, 2022, the Board considered and approved the proposed change in use of proceeds (the "**First Change in Use of Proceeds from the H Shares Offering**"). The First Change in Use of Proceeds from the H Shares Offering 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 would 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 from the H Shares Offering was approved at the 2021 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 of December 31, 2025, 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
	(HK$ million)	*Approximate percentage*	*(HK$ million)*	*Approximate percentage*	*(HK$ million)*	*Approximate percentage*	*(HK$ million)*	*(HK$ million)*	*(HK$ million)*	*(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	15%	337.2	295.8	282.4	13.4	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	40%	1,475.8	1,475.8	8.6	1,467.2	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
	(HK$ million)	*Approximate percentage*	*(HK$ million)*	*Approximate percentage*	*(HK$ million)*	*Approximate percentage*	*(HK$ million)*	*(HK$ million)*	*(HK$ million)*	*(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	25%	–	–	–	–	N/A

	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
	(HK$ million)	*Approximate percentage*	*(HK$ million)*	*Approximate percentage*	*(HK$ million)*	*Approximate percentage*	*(HK$ million)*	*(HK$ million)*	*(HK$ million)*	*(HK$ million)*	
to repay certain of our outstanding borrowings as of December 31, 2024	–	–	–	–	–	–	–	535.0	535.0	–	N/A
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	20%	874.2	312.3	4.5	307.8	60 months from October 8, 2024
Total	**11,817.4**	**100%**	**9,572.4**	**100%**	**4,917.7**	**100%**	**2,687.2**	**2,618.9**	**830.5**	**1,788.4**	

Note:

(1) The total net proceeds of HK$11,817.4 million from the issuance of H Shares by the Company from its listing on the Stock Exchange consists of approximately HK$10,251.0 million of net proceeds received prior to the exercise of the over-allotment option and the additional net proceeds of approximately HK$1,566.4 million from the issue of over-allotment H Shares expenses. Such over-allotment option was fully exercised on August 29, 2020. Subsequent to the issuance of our interim results report for the six months ended June 30, 2020, the abovementioned amounts have been adjusted over the course of preparing our verification report (驗資報告) to reflect the final net proceeds received by the Company, after deducting paid commissions and other offering expenses. The verification report has been audited and approved by the China Securities Regulatory Commission (中國證監會).

For the unutilized net proceeds of approximately HK$1,788.4 million as of 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.

FINAL DIVIDEND

The Board proposed to declare a final dividend of RMB1.26 (inclusive of tax) per 10 Shares (representing an aggregate amount of RMB107.75 million (inclusive of tax) based on the total issued Shares of the Company as at the date of this announcement) for the year ended December 31, 2025 (2024: RMB3.00 (inclusive of tax) per 10 Shares).

The aforesaid proposed is subject to the consideration and approval at the forthcoming annual general meeting of the Company ("**AGM**"). If the distribution proposal is approved at the AGM, it is expected that the final dividend for the year ended December 31, 2025 will be paid in 60 days after the AGM to the Shareholders (i.e. on or before July 31, 2026). Details regarding the closure of the register of members of the Company and declaration and payment of dividends will be announced in due course.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this announcement, the Group did not have any significant events after the Reporting Period need to be brought to the attention of the Shareholders.

AGM AND PERIOD OF CLOSURE OF REGISTER OF MEMBERS

The Company will arrange the time of convening the forthcoming AGM as soon as practicable, and the notice of the AGM will be published and provided to the Shareholders in a timely manner in accordance with the requirements of the Listing Rules and the Articles of Association. Once the date of the AGM is finalized, the Company will publish the period of closure of register of members of H Shares of the Company in the notice of the AGM.

REVIEW OF ANNUAL 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 audited consolidated financial information of the Group for the year ended December 31, 2025 with the management and the auditors of the Company.

The Audit Committee considered that the annual results are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof. The independent auditors of the Company, namely BDO China SHU LUN PAN Certified Public Accountants LLP, have agreed that the figures in respect of the Group’s annual results for the year ended December 31, 2025 contained in this announcement are consistent with the amounts set out in the Group’s audited consolidated financial statements for the year.

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 45 of Appendix D2 to the Listing Rules.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2025

(All amounts in RMB Yuan unless otherwise stated)

Items	Note	31 December 2025	31 December 2024
Current assets:			
Cash at bank and on hand	4(1)	**1,777,491,807.26**	2,055,344,830.04
Financial assets held for trading	4(2)	**59,459,161.12**	74,852,975.16
Notes receivables	4(3)	**7,004,266.15**	6,010,700.41
Accounts receivables	4(4)	**1,405,728,258.63**	1,359,758,181.20
Receivables financing		**3,953,348.43**	
Advances to suppliers	4(5)	**122,972,634.86**	101,932,971.27
Other receivables	4(6)	**109,395,716.23**	89,030,886.84
Inventories		**41,501,796.41**	31,956,085.52
Contract assets	4(7)	**2,584,975,822.49**	2,504,689,617.50
Other current assets		**64,713,930.31**	76,108,977.92
Total current assets		**6,177,196,741.89**	6,299,685,225.86
Non-current assets:			
Long-term equity investments	4(8)	**4,498,839,308.43**	3,424,603,314.72
Other equity instrument investments	4(2)	**8,545,553.12**	8,090,146.65
Other non-current financial assets	4(2)	**9,840,237,126.48**	10,105,905,487.26
Investment properties		**15,388,440.06**	
Fixed assets		**1,188,210,085.11**	778,498,376.24
Construction in progress		**110,604,207.57**	420,535,374.37
Right-of-use assets		**408,905,731.66**	487,230,305.93
Intangible assets		**276,312,305.22**	336,876,524.01
Goodwill		**3,520,215,745.68**	3,227,762,493.75
Long-term prepaid expenses		**189,282,477.31**	210,094,767.04
Deferred tax assets		**145,119,832.23**	126,686,732.61
Other non-current assets	4(9)	**1,979,937,603.41**	3,245,047,038.72
Total non-current assets		**22,181,598,416.28**	22,371,330,561.30
TOTAL ASSETS		**28,358,795,158.17**	28,671,015,787.16

Items	Note	**31 December 2025**	31 December 2024
Current liabilities:			
Short-term borrowings	4(10)	**511,020,767.84**	1,912,017,204.22
Notes payables		**5,889,386.05**	
Accounts payables	4(11)	**365,228,858.73**	257,287,412.33
Contract liabilities		**1,079,154,504.24**	790,737,308.84
Employee benefits payable		**327,858,233.53**	243,974,190.43
Taxes payable		**231,541,815.12**	159,172,131.01
Other payables	4(12)	**74,461,840.09**	76,840,278.73
Non-current liabilities due within one year	4(13)	**201,525,360.57**	198,600,777.18
Other current liabilities	4(14)	**38,793,286.00**	23,223,162.38
Total current liabilities		**2,835,474,052.17**	3,661,852,465.12
Non-current liabilities:			
Long-term borrowings	4(10)	**510,560,589.95**	323,649,635.25
Bonds payable	4(15)	**92,473,704.64**	
Lease liabilities		**360,616,779.32**	399,316,716.16
Long-term payables		**102,518,850.00**	
Long-term employee benefits payable		**10,897,307.43**	2,784,565.42
Deferred income		**16,408,677.01**	17,136,295.72
Deferred tax liabilities		**173,420,006.70**	201,796,922.90
Total non-current liabilities		**1,266,895,915.05**	944,684,135.45
TOTAL LIABILITIES		**4,102,369,967.22**	4,606,536,600.57

Items	Note	**31 December 2025**	31 December 2024
Owners' equity:			
Share capital	4(16)	**861,026,050.00**	864,948,570.00
Capital reserve	4(17)	**10,584,957,589.83**	10,772,578,438.11
Less: Treasury shares	4(18)	**300,069,890.00**	191,146,104.89
Other comprehensive income		**57,068,522.37**	99,095,699.24
Surplus reserve		**436,529,393.76**	436,529,393.76
Undistributed profits	4(19)	**9,319,994,848.81**	8,688,647,453.50
Total equity attributable to equity owners of the Company		**20,959,506,514.77**	20,670,653,449.72
Minority interests		**3,296,918,676.18**	3,393,825,736.87
Total owners' equity		**24,256,425,190.95**	24,064,479,186.59
TOTAL LIABILITIES AND OWNERS' EQUITY		**28,358,795,158.17**	28,671,015,787.16

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended December 31, 2025
(All amounts in RMB Yuan unless otherwise stated)

Items		Note	2025	2024
I.	Total operating revenue	3.5	**6,832,800,615.35**	6,603,120,162.78
	Including: Operating revenue		**6,832,800,615.35**	6,603,120,162.78
II.	Total operating costs		**6,312,645,254.48**	5,610,048,004.89
	Including: Operating costs	3.5	**4,959,606,315.77**	4,361,106,945.65
	Taxes and surcharges		**34,929,024.09**	28,038,219.79
	Selling expenses		**234,658,095.13**	207,607,782.45
	General and administrative expenses		**725,906,444.89**	736,842,477.93
	Research and development expenses		**257,643,569.77**	238,385,545.75
	Financial expenses	4(20)	**99,901,804.83**	38,067,033.32
	Including: Interest expenses		**90,559,390.82**	141,235,382.04
	Interest income		**15,126,062.26**	90,219,275.91
	Add: Other income	4(21)	**46,585,292.33**	36,850,266.27
	Investment income (“-” for losses)	4(22)	**433,815,899.70**	166,642,230.65
	Including: Share of profit of associates and joint ventures		**198,506,836.41**	31,270,924.92
	Gains from changes in fair values (“-” for losses)	4(23)	**42,256,274.39**	-501,688,166.32
	Credit impairment losses (“-” for losses)	4(24)	**1,917,920.09**	-35,275,311.28
	Asset impairment losses (“-” for losses)	4(25)	**-38,961,326.65**	1,254,555.47
	Gains on disposals of assets (“-” for losses)	4(26)	**3,650,548.27**	3,563,278.83
III.	Operating Profit (“-” for losses)	4(27)	**1,009,419,969.00**	664,419,011.51
	Add: Non-operating income		**2,238,748.93**	5,090,122.07
	Less: Non-operating expenses		**8,443,597.94**	5,047,625.28
IV.	Total Profit (“-” for losses)		**1,003,215,119.99**	664,461,508.30
	Less: Income tax expenses	4(28)	**198,158,945.47**	216,630,221.33

Items	Note	2025	2024
V. Net Profit ("-" for losses)		**805,056,174.52**	447,831,286.97
(I) Classified by continuity of operations			
1. Net profit from continuing operations ("-" for losses)		**805,056,174.52**	447,831,286.97
2. Net profit from discontinued operations ("-" for losses)			
(II) Classified by ownership of the equity			
1. Attributable to equity owners of the Company ("-" for losses)		**887,890,076.31**	405,143,491.82
2. Minority interests ("-" for losses)		**-82,833,901.79**	42,687,795.15
VI. Other comprehensive income, net of tax		**-53,653,137.05**	-30,367,462.62
Attributable to equity owners of the Company		**-42,027,176.87**	-4,438,571.01
(I) Other comprehensive income that will not be reclassified to profit or loss		**1,284,477.84**	-2,636,848.67
1. Changes arising from re-measurement of defined benefit obligation		**339.31**	96,766.31
2. Changes in fair value of other equity instrument investments		**1,284,138.53**	-2,733,614.98
(II) Other comprehensive income that will be reclassified to profit or loss		**-43,311,654.71**	-1,801,722.34
1. Translation differences of foreign currency financial statements		**-43,311,654.71**	-1,801,722.34
Attributable to minority interests		**-11,625,960.18**	-25,928,891.61
VII. Total comprehensive income		**751,403,037.47**	417,463,824.35
Attributable to equity owners of the Company		**845,862,899.44**	400,704,920.81
Attributable to minority interests		**-94,459,861.97**	16,758,903.54
VIII. Earnings per share:			
(I) Basic earnings per share (RMB/share)	4(29)	**1.04**	0.47
(II) Diluted earnings per share (RMB/share)	4(29)	**1.04**	0.47

1. CORPORATION GENERAL INFORMATION

Hangzhou Tigermed Consulting Co., Ltd. (the "**Company**") was established in the People's Republic of China (the "**PRC**") on December 15, 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 shares were listed on the Main Board of the Stock Exchange with Stock Code 3347. Its latest registered office and the principal place of business activities is located at Room 601–610, Floor 6, No. 508 Lujiatan Street, Puyan 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 31 December 2025, and the consolidated operating results for the year of 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 year ended December 31, 2025	Clinical trial solutions	Clinical-related and laboratory services	Total
Revenue	3,266,805,018.61	3,565,995,596.74	6,832,800,615.35
Gross profit	656,143,010.45	1,217,051,289.13	1,873,194,299.58

For the year ended December 31, 2024	Clinical trial solutions	Clinical-related and laboratory services	Total
Revenue	3,178,139,885.72	3,424,980,277.06	6,603,120,162.78
Gross profit	939,513,529.40	1,302,499,687.73	2,242,013,217.13

2) Geographical information

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

Revenue from external customers	For the year ended 31 December 2025	31 December 2024
– Domestic	**3,705,266,993.12**	3,547,958,140.55
– Overseas	**3,127,533,622.23**	3,055,162,022.23
Total	**6,832,800,615.35**	6,603,120,162.78

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

Item	31 December 2025	31 December 2024
Non-current assets (excluding financial assets and deferred tax assets)		
– Domestic	**9,750,023,294.68**	8,545,836,113.78
– Overseas	**2,248,697,157.52**	3,504,812,081.00
Total	**11,998,720,452.20**	12,050,648,194.78

4. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS

(1) Cash at bank and on hand

Item	31 December 2025	31 December 2024
Cash on hand	**35,169.03**	56,004.54
Bank deposit	**1,709,543,964.43**	1,985,510,100.51
Other monetary funds	**67,912,673.80**	69,778,724.99
Total	**1,777,491,807.26**	2,055,344,830.04

Time deposits with original maturity over three months/Restricted bank deposits

	2025	2024
Time deposits with original maturity over three months *(Note (a))*	**48,770,134.12**	1,185,120.00
Restricted bank deposits *(Note (b)(c)(d))*	**6,113,295.46**	5,665,857.20
Total	**54,883,429.58**	6,850,977.20

Notes:

(a) Time deposits with original maturity over three months represent fixed deposits with maturity more than three months from the date of acquisition which carried interest at prevailing market rates which ranged from 2.71% to 3.06% (2024: 3.48%) per annum as at December 31, 2025.

(b) According to the lease agreement for the property in Secaucus, New Jersey, a cash deposit of US$300,000 (RMB2,108,640.00) (2024:US$300,000 (RMB2,156,520.00)) was required as a guarantee over the property.

(c) As at December 31, 2025, certain bank deposits with balance of RMB521,500.00 (2024: RMB649,600.00) were pledged as collateral for project guarantees.

(d) As at December 31, 2025, a cash deposit of US$392,000 (equivalent to RMB2,755,344.14) was required by Pennsylvania department of environmental protection, Bureau of radiation protection in the USA for radiology license in the USA, and the amount is restricted. As at December 31, 2025, the remaining amount in the collateral account was US$392,000 (equivalent to RMB2,755,344.14 (2024: US$382,000 (equivalent to RMB2,744,874.08)), which has been included in the restricted bank deposits.

(2) Financial Assets at Fair Value/Financial Products

Item	31 December 2025	31 December 2024
Current assets		
Financial assets at FVTPL		
Financial Products	**54,595,099.23**	50,000,000.00
Unlisted debt instruments	**4,864,061.89**	24,852,975.16
Sub-total	**59,459,161.12**	74,852,975.16

Item	**31 December 2025**	31 December 2024
Non-current assets		
Financial assets at FVTPL		
Life insurance policies	**1,540,803.39**	4,032,227.28
Listed equity securities	**935,041,317.74**	64,151,476.08
Unlisted debt instruments	**171,807,345.29**	108,864,224.15
Unlisted equity investments	**4,120,012,309.32**	4,996,191,847.81
Unlisted fund investments	**4,611,835,350.74**	4,932,665,711.94
Sub-total	**9,840,237,126.48**	10,105,905,487.26
Financial assets at FVOCI		
Listed equity investment	**4,392,013.93**	3,371,053.10
Unlisted equity investments	**4,153,539.19**	4,719,093.55
Sub-total	**8,545,553.12**	8,090,146.65
Total	**9,908,241,840.72**	10,188,848,609.07

(3) Notes receivables

Item	**31 December 2025**	31 December 2024
Bank acceptance bills	**7,004,266.15**	6,010,700.41

(4) Accounts receivables

The Group allows a credit period ranging from 30 to 90 days to its customers. The following is an aging analysis of accounts receivables (net of credit impairment losses), presented based on the invoice dates, at the end of each reporting period:

Aging	**31 December 2025**	31 December 2024
Within 90 days	**1,165,368,502.72**	1,083,221,887.05
90 to 180 days	**103,580,456.00**	107,860,212.19
180 days to 1 year	**106,493,086.55**	149,261,790.29
Over 1 year	**172,726,020.11**	171,338,931.80
Subtotal	**1,548,168,065.38**	1,511,682,821.33
Less: Bad debt provisions	**142,439,806.75**	151,924,640.13
Total	**1,405,728,258.63**	1,359,758,181.20

(5) Advances to suppliers

Aging	31 December 2025 Amount	31 December 2025 Ratio %	31 December 2024 Amount	31 December 2024 Ratio %
Withing 1 year (inclusive)	**119,929,874.85**	**97.52**	99,382,459.68	97.49
1 to 2 years	**2,492,737.30**	**2.03**	936,705.63	0.92
2 to 3 years	**306,419.81**	**0.25**	1,383,825.06	1.36
Over 3 years	**243,602.90**	**0.20**	229,980.90	0.23
Total	**122,972,634.86**	**100.00**	101,932,971.27	100.00

(6) Other receivables

Item	31 December 2025	31 December 2024
Interest receivable		
Other receivables	**109,395,716.23**	89,030,886.84
Total	**109,395,716.23**	89,030,886.84

1. Other receivables

Aging	31 December 2025	31 December 2024
Within 1 year (inclusive)	**92,744,110.76**	71,276,094.34
1 to 2 years	**11,044,601.01**	12,952,529.55
2 to 3 years	**8,472,859.99**	6,626,874.06
3 to 4 years	**2,532,631.17**	3,771,426.17
4 to 5 years	**2,770,558.81**	1,351,552.78
Over 5 years	**3,120,587.83**	2,445,464.57
Subtotal	**120,685,349.57**	98,423,941.47
Less: Bad debt provisions	**11,289,633.34**	9,393,054.63
Total	**109,395,716.23**	89,030,886.84

(7) Contract assets

Item	31 December 2025 Gross carrying amount	31 December 2025 Impairment provision	31 December 2025 Net book value	31 December 2024 Gross carrying amount	31 December 2024 Impairment provision	31 December 2024 Net book value
Contract assets with bad debt provisions based on the general model of expected credit losses	**2,645,478,911.96**	**60,503,089.47**	**2,584,975,822.49**	2,546,878,203.97	42,188,586.47	2,504,689,617.50

(8) Long-term equity investments

Item	**31 December 2025**	31 December 2024
Interests in associates	**4,498,839,308.43**	3,424,603,314.72

(9) Other non-current assets

Item	31 December 2025 Book value balance	31 December 2025 Impairment provision	31 December 2025 Net book value	31 December 2024 Book value balance	31 December 2024 Impairment provision	31 December 2024 Net book value
Prepayment for investments	**188,975,452.25**		**188,975,452.25**	80,000,000.00		80,000,000.00
Prepayment for fixed assets and intangible asset, etc.	**18,801,425.80**		**18,801,425.80**	10,081,946.15		10,081,946.15
Certificate of deposit and interest	**1,766,862,407.85**		**1,766,862,407.85**	3,150,169,257.40		3,150,169,257.40
Others	**5,298,317.51**		**5,298,317.51**	4,795,835.17		4,795,835.17
Total	**1,979,937,603.41**		**1,979,937,603.41**	3,245,047,038.72		3,245,047,038.72

(10) Borrowings

Item	**31 December 2025**	31 December 2024
Secured and unguaranteed bank loans *(note (a))*	**531,927,895.81**	687,720,231.72
Unsecured and guaranteed bank loans *(note (b))*	**2,287,040.00**	6,679,249.20
Unsecured and unguaranteed bank loans *(note (c))*	**589,143,607.77**	1,621,447,954.20
Total	**1,123,358,543.58**	2,315,847,435.12

Item	31 December 2025	31 December 2024
Loan interest at rate per annum in the range of	**0.39% – 6.09%**	1.29% – 6.73%
Total current and non-current borrowings were scheduled to repay as follows:		
Due within one year	**612,797,953.63**	1,992,197,799.87
Due within 1 to 2 years	**137,216,232.85**	102,026,263.77
Due within 2 to 5 years	**370,341,547.50**	218,124,784.08
Over 5 years	**3,002,809.60**	3,498,587.40
Total	**1,123,358,543.58**	2,315,847,435.12

Notes:

(a) As at December 31, 2025, the Group had obtained bank credit facilities in an aggregate amount of approximately RMB622,174,000 (December 31, 2024: RMB510,000,000) through certain restricted bank deposits, of which RMB211,061,000 (December 31, 2024: RMB177,344,000) were utilized.

On May 31, 2022, Frontage Labs, one subsidiary of the Company, entered into a three-year committed senior secured revolving credit agreement with a bank. On July 28, 2023, the bank has agreed to extend to Frontage Labs a revolving line of credit in the maximum principal amount of US$54,000,000 and extend the maturity date to four years from the loan commencement date. As at December 31, 2025, US$20,500,000 (2024: US$35,000,000) of the facility were utilized as borrowings. Frontage Labs is obligated to grant to the bank 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 non-revolving term loan facility in an aggregate principal amount of US$49,000,000. As at December 31, 2025, US$25,150,000 (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 December 31, 2025, bank borrowings approximately amounting to RMB2,287,000 (December 31, 2024: approximately RMB6,679,000) were secured by personal guarantees provided by directors of the subsidiaries.

(c) As of December 31, 2025, the Group had banking facilities approximately RMB6,229,081,000 (December 31, 2024: approximately RMB7,626,448,000). The aforesaid bank loans outstanding as at December 31, 2025 were approximately RMB589,144,000 (December 31, 2024: approximately RMB1,621,448,000).

(d) The Group had aggregated revolving banking facilities of approximately RMB6,237,677,000 (December 31, 2024: RMB6,446,015,600) which were unutilized as at December 31, 2025.

(11) 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 accounts payables, presented based on invoice date, at the end of each of the reporting period:

Aging	31 December 2025	31 December 2024
Within 90 days	**178,262,102.63**	202,233,662.03
90 days to 1 year	**64,970,498.07**	48,897,656.16
Over 1 year	**121,996,258.03**	6,156,094.14
Total	**365,228,858.73**	257,287,412.33

(12) Other payables

Item	31 December 2025	31 December 2024
Interests payable	**1,388,432.36**	5,310,915.46
Dividends payable	**3,752,582.61**	2,609,775.37
Other payables	**69,320,825.12**	68,919,587.90
Total	**74,461,840.09**	76,840,278.73

(13) Non-current liabilities due within one year

Item	31 December 2025	31 December 2024
Lease liabilities due within one year *(Note (a))*	**99,748,174.78**	118,349,661.75
Other long-term liabilities due within one year		70,519.78
Long-term borrowings due within one year *(Note (b))*	**101,777,185.79**	80,180,595.65
Total	**201,525,360.57**	198,600,777.18

Notes:

(a) Lease liabilities due within one year, amounting to RMB99,748,174.78（December 31,2024:RMB118,349,661.75), represent the lease expenses due within one year. They have been reclassified from the lease liabilities;

(b) For the detailed information of long term borrowing due within one year, please refer to Note (10).

(14) Other current liabilities

Item	**31 December 2025**	31 December 2024
Penalty for the termination	**3,050,849.73**	3,050,849.73
Deferred output VAT	**35,742,436.27**	20,172,312.65
Total	**38,793,286.00**	23,223,162.38

(15) Bonds payable

Item	**31 December 2025**	31 December 2024
Convertible bonds	**92,473,704.64**	

15.1 Aging profile of bonds payable

	31 December 2025	31 December 2024
In one year		
In the second to fifth years, inclusive	**92,473,704.64**	

15.2 Increase/decrease in bonds payable

Bond name	Face value	Coupon rate	Issue date	Bond term	Issuance amount	Balance at beginning of year	Issued during the period	Interest accrued at par value	Changes in fair value	Amortisation of premium/ discount	Repaid during the period	Others	Balance at end of period	Default status
Dream CIS Co., Ltd. Series 1 Unsecured Private Convertible Bonds	76,170,000.00	0.00%	2025/9/30	3 years	76,170,000.00		60,936,000.00		-32,904,541.99	2,570,334.76		-3,937,172.11	92,473,704.64	non-default

Note:

(a) The Company's subsidiary, Hong Kong Tigermed, purchased KRW3.00 billion (equivalent to RMB15,234,000) of convertible bonds.

(b) As of September 30, 2025, DreamCIS, Inc., a subsidiary of the Company, issued "DreamCIS, Inc. 1st Unregistered Coupon Unsecured Private Placement Convertible Bonds" in an aggregate principal amount of KRW15 billion. The bonds carry a nominal interest rate of 0.0% per annum, with no interest payable prior to maturity, and provide a guaranteed yield to maturity of 1.0% per annum, compounded quarterly on the electronically registered amount. The bonds will mature on September 30, 2028, and are redeemable at 103.0415% of the electronically registered principal amount.

(c) The Bonds are redeemable at the option of the bondholders (put option) on September 30, 2027 and every three months thereafter until maturity, at redemption prices ranging from 102.0175% to 102.7846% of the principal amount, representing a yield of 1.0% per annum compounded quarterly. The conversion rights may be exercised from September 30, 2026 to August 30, 2028 into registered common shares of the Issuer. The conversion price is initially determined based on the higher of the weighted average arithmetic mean prices for the one-month, one-week, and most recent trading day prior to the board resolution date, subject to anti-dilution adjustments for certain corporate actions and regular adjustments every seven months, provided that the conversion price shall not fall below 70% of the initial conversion price or the par value of KRW500 per share.

(16) Share capital

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

(17) Capital reserve

Item	31 December 2024	Increase in the current period	Decrease in the current period	31 December 2025
Capital premium (Share premium)	10,665,467,111.76	47,143,299.90	245,917,631.75	10,466,692,779.91
Other capital reserve	107,111,326.35	16,134,960.65	4,981,477.08	118,264,809.92
Total	10,772,578,438.11	63,278,260.55	250,899,108.83	10,584,957,589.83

(18) Treasury shares

Item	31 December 2024	Increase in the current period	Decrease in the current period	31 December 2025
Repurchased share	191,146,104.89	308,970,378.45	200,046,593.34	300,069,890.00

(19) Undistributed profits

Item	**31 December 2025**	31 December 2024
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	**887,890,076.31**	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	**9,319,994,848.81**	8,688,647,453.50

(20) Financial expenses

Item	**2025**	2024
Interest expenses	**90,559,390.82**	141,235,382.04
Including: Interest expenses on lease liabilities	**25,912,300.63**	25,963,568.02
Less: Interest income	**15,126,062.26**	90,219,275.91
Exchange gains or losses	**16,949,896.45**	-18,021,491.44
Others	**7,518,579.82**	5,072,418.63
Total	**99,901,804.83**	38,067,033.32

(21) Other income

Item	**2025**	2024
Government grants	**41,531,192.56**	29,388,355.26
Additional deduction of input VAT		1,506,133.30
Return of individual income tax fee	**1,894,178.02**	2,084,911.53
National service trade funds	**1,321,280.50**	2,248,018.00
Job stability subsidies	**1,838,641.25**	1,622,848.18
Total	**46,585,292.33**	36,850,266.27

(22) Investment income

Item	2025	2024
Share of profit from associates	**198,506,836.41**	31,270,924.92
Investment incomes from disposal of financial assets held for trading	**70,041.29**	447,803.45
Interest incomes from debt investment during the holding period		682,906.49
Dividend incomes from other non-current financial assets during the holding period	**15,385,908.61**	18,085,571.25
Investment incomes from disposal of other non-current financial assets	**102,543,216.41**	-17,806,714.50
Gains from re-measuring the equity at fair value on the date of obtaining control	**44,973,322.00**	55,826,445.29
Incomes from Certificate of deposit and wealth management products	**72,336,574.98**	78,135,293.75
Total	**433,815,899.70**	166,642,230.65

(23) Gains from changes in fair values

Source of gains from changes in fair value	2025	2024
Financial assets held for trading	**262,909.57**	172,744.43
Other non-current financial assets	**74,897,906.81**	-501,860,910.75
Convertible bonds	**-32,904,541.99**	
Total	**42,256,274.39**	-501,688,166.32

(24) Credit impairment losses

Item	2025	2024
Loss of bad debts of accounts receivable	**3,660,783.38**	-33,753,411.37
Loss of bad debts of other receivables	**-1,742,863.29**	-1,941,570.45
Reverse of impairment losses for prepayments		419,670.54
Total	**1,917,920.09**	-35,275,311.28

(25) Asset impairment losses

Item	**2025**	2024
Loss on decline in value of inventories and impairment losses on contract performance cost		2,236,006.45
Impairment losses on contract assets	**-18,466,076.70**	4,018,549.02
Goodwill impairment loss	**-20,277,760.00**	-5,000,000.00
Impairment loss on fixed assets	**-150,569.95**	
Impairment loss on intangible assets	**-66,920.00**	
Total	**-38,961,326.65**	1,254,555.47

(26) Gains on disposals of assets

Item	**2025**	2024	Amount included in non-recurring profit or loss in the period
Gains on disposals of non-current assets	**3,650,548.27**	3,563,278.83	3,650,548.27

(27) Operating profit

Operating profit has been arrived at after charging:

Item	**2025**	2024
Employee benefits expenses	**3,305,011,814.13**	3,006,779,661.49
Share-based payment expenses	**23,498,004.67**	61,419,041.41
Depreciation charges on fixed assets	**133,420,590.25**	116,428,764.15
Depreciation charges on right-of-use assets	**114,907,867.47**	118,919,145.39
Amortization of intangible assets	**78,338,419.78**	88,792,330.09
Amortization of long-term prepaid expenses	**42,809,046.70**	39,895,400.15
Auditors' remuneration	**5,290,000.00**	5,290,000.00
Short-term leases expenses	**5,549,593.02**	3,686,635.53
Lease expenses for low-value assets	**9,442,774.69**	10,128,416.83
Financial expenses	**99,901,804.83**	38,067,033.32

(28) Income tax expenses

Item	2025	2024
Current income tax expenses	**243,367,308.41**	240,680,053.59
Deferred income tax expenses	**-45,208,362.94**	-24,049,832.26
Total	**198,158,945.47**	216,630,221.33

(29) 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	2025	2024
Consolidated net profit attributable to ordinary shareholders of the parent company	**887,890,076.31**	405,143,491.82
Weighted average number of ordinary shares outstanding of the Company	**855,870,786.67**	863,040,578.33
Basic earnings per share	**1.04**	0.47
Including: Basic earnings per share from continuing operations	**1.04**	0.47
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	2025	2024
Consolidated net profit attributable to ordinary shareholders of the parent company (diluted)	**887,890,076.31**	405,143,491.82
Weighted average number of ordinary shares outstanding (diluted) of the Company	**855,870,786.67**	863,040,578.33
Diluted earnings per share	**1.04**	0.47
Including: Diluted earnings per share from continuing operations	**1.04**	0.47
Diluted earnings per share from discontinued operations		

5. CAPITAL COMMITMENTS

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

Item	31 December 2025	31 December 2024
Commitments for the investments in the funds or companies	**275,233,123.08**	234,810,993.44
Commitments for the acquisition of associates		3,000,000.00
Acquisition of property, plant and equipment	**89,520,288.90**	2,649,646.24

6. OTHER SIGNIFICANT MATTERS

1. Net current assets/(liabilities)

	31 December 2025		31 December 2024	
Item	Group	Company	Group	Company
Current assets	**6,177,196,741.89**	**2,520,408,378.51**	6,299,685,225.86	3,525,864,274.42
Less: Current liabilities	**2,835,474,052.17**	**5,154,428,399.78**	3,661,852,465.12	5,358,969,713.58
Net current assets/(liabilities)	**3,341,722,689.72**	**-2,634,020,021.27**	2,637,832,760.74	-1,833,105,439.16

2. Total assets less current liabilities

	31 December 2025		31 December 2024	
Item	Group	Company	Group	Company
Total assets	**28,358,795,158.17**	**18,587,763,403.68**	28,671,015,787.16	19,322,035,746.26
Less: Current liabilities	**2,835,474,052.17**	**5,154,428,399.78**	3,661,852,465.12	5,358,969,713.58
Total assets less current liabilities	**25,523,321,106.00**	**13,433,335,003.90**	25,009,163,322.04	13,963,066,032.68

3. Dividends

For the year ended December 31, 2025, the Company proposed cash dividends to its shareholders as follows:

	2025	2024
Final dividend proposed after the end of the reporting period of RMB0.126 and RMB0.3 in respect of the years ended December 31, 2025 and 2024, respectively	**107,747,926.02**	256,542,681.00

The final dividend proposed after the end of the year has not been recognised as a liability at the end of the year.

4. Lease

As lessee

Item	2025	2024
Interest expense on lease liabilities	**25,912,300.63**	25,963,568.02
Short-term lease expenses accounted for under the simplified approach included in the cost of related assets or current period profit or loss	**5,549,593.02**	3,686,635.53
Low-value asset lease expenses accounted for under the simplified approach included in the cost of related assets or current period profit or loss (excluding short-term lease expenses for low-value assets)	**9,442,774.69**	10,128,416.83
Total cash outflows related to leases	**151,344,325.11**	166,034,418.85

7. SUBSEQUENT EVENT

(1) Pursuant to the resolution adopted at the 23rd meeting of the Fifth Board of Directors convened by the Company on March 30, 2026, the Company proposes to distribute cash dividends of RMB1.26 (tax inclusive) per 10 shares to all shareholders, based on the total share capital at the future record date for implementing the 2025 profit distribution plan, adjusted by deducting the Company's shares held in the share repurchase account (5,883,780 shares). No bonus shares will be issued, and the remaining undistributed profits will be carried forward to subsequent years; the Company will not utilize capital reserves to issue additional shares to shareholders. As of the date of this announcement, the total cash dividend distribution amounts to RMB107,747,926.02 (tax inclusive), calculated based on the adjusted share capital of 855,142,270 shares (total share capital of 861,026,050 shares as of the announcement date minus 5,883,780 repurchased shares).

(2) On October 10, 2025, Frontage Shanghai, a wholly-owned subsidiary of Frontage Holdings Corporation (as purchaser), Hangzhou Tigermed (as vendor in respect of Sale Shares I) and Jiaxing Xinge, a wholly-owned subsidiary of Hangzhou Tigermed (as vendor in respect of Sale Shares II), entered into the Share Transfer Agreement, pursuant to which Frontage Shanghai has conditionally agreed to acquire, and each of Hangzhou Tigermed and Jiaxing Xinge has conditionally agreed to sell the sale Shares, representing the entire issued share capital of Teddy Clinical Research Laboratory (Shanghai) Ltd. (the "**Target Company**") upon completion of the repurchase and capital reduction, at the total cash consideration of RMB270,000,000 (equivalent to USD38,413,000).

The acquisition was completed on March 3, 2026.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This results announcement is published on the website of the Stock Exchange at http://www.hkexnews.hk and on the website of the Company at www.tigermedgrp.com. The 2025 annual report of the Company containing all the information required by the Listing Rules will be published on the websites of the Company and the Stock Exchange by end of April 2026.

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 Renminbi and are listed for trading on the Shenzhen Stock Exchange
"Articles of Association"	the articles of association of the Company, as amended from time to time
"Audit Committee"	the audit committee of the Board
"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 annual results announcement and for geographical reference only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Company" or "our Company"	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)
"CRO"	Contract Research Organization
"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
"EMEA"	Europe, Middle East and Africa
"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", "Tigermed" 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$"	Hong Kong dollars and cents, both are the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Listing" or "IPO" or "H Shares Offering"	the listing of the H Shares on the Main Board of the Stock Exchange on August 7, 2020
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)
"Model Code"	the "Model Code for Securities Transactions by Directors of Listed Issuers" set out in Appendix C3 to the Listing Rules
"MRCTs"	Multi-regional Clinical Trials
"NMPA"	China National Medical Products Administration
"RMB"	Renminbi, the lawful currency of the PRC
"Reporting Period"	the year ended December 31, 2025
"Share(s)"	comprising A Shares and H Shares
"Shareholder(s)"	holder(s) of Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Supervisor"	the former supervisor(s) of the Company or any one of them
"Supervisory Committee"	our former board of Supervisors
"treasury share(s)"	has the meaning ascribed to it under the Listing Rules
"U.S."	the United States
"US$"	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, March 30, 2026

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.

* *For identification purpose only*

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