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HANGZHOU TIGERMED CONSULTING CO., LTD.
杭州泰格醫藥科技股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 3347)

DISCLOSEABLE AND CONNECTED TRANSACTION IN RELATION TO THE PRIVATIZATION AND SEPARATION TRANSACTION OF FRONTAGE HOLDINGS CORPORATION

INTRODUCTION

The Board is pleased to announce that on November 9, 2026 (after trading hours), (a) Hongkong Tigermed, CRL and Dr. Li entered into the Consortium Agreement in relation to, among others, the Proposal; (b) the Offeror and the Offeree entered into the Implementation Agreement; and (c) the Company, Hongkong Tigermed, CRL, Frontage ACE, Dr. Li and Dr. Li's Trusts entered into the Transaction Agreement in relation to, among others, the Separation Transaction.

THE INCORPORATION OF THE OFFEROR, THE CONSORTIUM AGREEMENT AND THE PROPOSAL

The Offeror was incorporated in the Cayman Islands with limited liability to act as an investment holding company for the purpose of implementing the Proposal. As at the date of this announcement, the Offeror has an issued share capital of 2,038,538,910 shares of a par value of US$0.00001, and is owned as to 38.27%, 53.40%, 1.63%, 2.24%, 2.24% and 2.24% by CRL, Hongkong Tigermed, Dr. Li, The Linna Li GST Exempt Trust, The Wendy Li GST Exempt Trust and The Yue Monica Li GST Exempt Trust, respectively. As at the date of this announcement, the Offeror is a non-wholly owned subsidiary of the Company and the Offeror Shares held by Hongkong Tigermed, Dr. Li, The Linna Li GST Exempt Trust, The Wendy Li GST Exempt Trust and The Yue Monica Li GST Exempt Trust, respectively, are unpaid.

As at the date of this announcement,

(a) save for 2,038,538,910 Offeree Shares in issue and 79,087,000 Offeree Share Options that are outstanding, the Offeree does not have any other outstanding options, warrants, convertible securities or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) issued by the Offeree that carry a right to subscribe for or which are convertible into the Offeree Shares;

(b) Hongkong Tigermed, as a Consortium Member, legally or beneficially owns, controls or has direction over a total of 1,088,484,090 Offeree Shares, representing approximately 53.40% of the total issued Offeree Shares, being the Hongkong Tigermed Scheme Shares. For the avoidance of doubt, these Offeree Shares form part of the Scheme Shares;

(c) Dr. Li, as a Consortium Member, legally or beneficially owns, controls or has direction, through his direct interest or Dr. Li's Trusts, over a total of 169,941,320 Offeree Shares, representing approximately 8.34% of the total issued Offeree Shares, being the Chairman Scheme Shares. For the avoidance of doubt, these Offeree Shares form part of the Scheme Shares. In addition, Dr. Li holds a total of 7,600,000 Offeree Share Options that are outstanding under the Offeree Share Incentive Plans, which shall constitute part of the Option Offer;

(d) CRL, as a Consortium Member, does not legally or beneficially own, control or have direction over any Offeree Shares;

(e) the Company, which wholly owns Hongkong Tigermed, legally or beneficially owns, controls or has direction over a total of 1,314,504,090 Offeree Shares, representing approximately 64.48% of the total issued Offeree Shares, comprising the Hongkong Tigermed Scheme Shares and the Company Scheme Shares. For the avoidance of doubt, these Offeree Shares form part of the Scheme Shares;

(f) Mr. Xin Huang, a director of the Offeror and Hongkong Tigermed, legally or beneficially owns, controls or has direction, through his direct interest, over a total of 8,000 Offeree Shares; and

(g) The remaining 554,085,500 Offeree Shares, representing approximately 27.18% of the total issued Offeree Shares, are held by the other Shareholders.

Pursuant to the Implementation Agreement, the Offeror and the Offeree have agreed to use all reasonable endeavors to implement the Proposal, namely, the proposal for the privatization of the Offeree by the Offeror by way of the Scheme at the Cancellation Price of HK$2.370 per Scheme Share and the maintenance of the issued share capital of the Offeree at the amount immediately prior to the cancellation of the Scheme Shares, the implementation of the Option Offer, the implementation of the Earnout Arrangement and the withdrawal of the listing of the Offeree Shares from the Stock Exchange.

If the Proposal is approved and implemented,

(i) the Hongkong Tigermed Scheme Shares held by Hongkong Tigermed will be cancelled on the Effective Date in consideration for the Hongkong Tigermed Cancellation Consideration, being the crediting of the unpaid Offeror Shares held by Hongkong Tigermed as being fully paid in the amount of the Cancellation Price of HK$2.370 per Offeror Share;

(ii) the Chairman Scheme Shares held by Dr. Li and Dr. Li's Trusts will be cancelled on the Effective Date in consideration for the Chairman Cancellation Consideration, being the crediting of the unpaid Offeror Shares held by Dr. Li and Dr. Li's Trusts as being fully paid in the amount of the Cancellation Price of HK$2.370 per Offeror Share;

(iii) the Company Scheme Shares and all the other Scheme Shares held by other Scheme Shareholders will be cancelled on the Effective Date in consideration for the Cancellation Price of HK$2.370 per Scheme Share, which shall be paid in cash by the Offeror to such other Scheme Shareholders; and

(iv) the issued share capital of the Offeree will, on the Effective Date, be maintained at the amount immediately prior to the cancellation of the Scheme Shares by allotting and issuing to the Offeror the same number of new Shares, credited as fully paid, as the number of Scheme Shares cancelled. The capital reserve created in the books of account of the Offeree as a result of the cancellation of the Scheme Shares will be applied in paying up in full at par the new Offeree Shares so allotted and issued to the Offeror, accordingly the Offeree will become directly wholly-owned by the Offeror.

The Option Offer

As of the date of this announcement, a total of 79,087,000 Offeree Share Options are outstanding under the Offeree Share Incentive Plans. To the extent that the outstanding Offeree Share Options have not otherwise lapsed, been cancelled or exercised, the Offeror will make (or procure to be made on its behalf) the Option Offer to the Option Holders in accordance with Rule 13 of the Takeovers Code to cancel every outstanding Offeree Share Option (including vested and unvested Offeree Share Options), conditional upon the Scheme becoming effective. Under the Option Offer, the Offeror will offer the Option Holders the "see-through" Option Offer Price (being the Cancellation Price minus the relevant exercise price of the outstanding Share Option) for the cancellation of every Offeree Share Option. Where the exercise price of the relevant Offeree Share Option exceeds the Cancellation Price, the "see-through" Option Offer Price is zero and a cash offer of a nominal amount of HK$0.0001 per Offeree Share Option will be made by the Offeror for the cancellation of each outstanding Offeree Share Option held.

Earnout Arrangement

In addition to the payment of the Cancellation Price or the Option Offer Price (as applicable), all the Scheme Shareholders as at the Scheme Record Date and the Option Holders that have accepted the Option Offer are entitled to receive an earnout payment, calculated on a sliding scale by reference to the revenue and the Adjusted EBITDA Margin of the Target Business as set out in the section headed "B. The Incorporation of The Offeror, The Consortium Agreement, The Proposal and The Earnout Arrangement – (III) Earnout Arrangement" of this announcement, based on the Earnout Financial Statements of the Target Business for the years ending December 31, 2026 and 2027 as reviewed by an internationally recognized accounting firm in accordance with applicable accounting and review standards, conditional upon the Scheme becoming effective.

Pre-Conditions and Conditions of the Proposal and the Scheme

The making of the Proposal, and the implementation of the Proposal and the Scheme, are subject to the satisfaction of certain Pre-Conditions and the satisfaction or waiver (as applicable) of certain Conditions as set out in the section headed "B. The Incorporation of The Offeror, The Consortium Agreement, The Proposal and The Earnout Arrangement – (IV) Pre-Conditions and Conditions to the Proposal" of this announcement.

Withdrawal of Listing of the Offeree Shares

Upon the Scheme becoming effective, all Scheme Shares will be cancelled (with the equivalent number of new Offeree Shares being contemporaneously issued and credited as fully paid to the Offeror to maintain the issued share capital of the Offeree at the amount immediately prior to the cancellation of the Scheme Shares) and the share certificates for the Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Offeree will make an application for the listing of the Offeree Shares to be withdrawn from the Stock Exchange in accordance with Rule 6.15 of the Listing Rules and such withdrawal is expected to take place immediately following the Effective Date.

THE TRANSACTION AGREEMENT AND THE SEPARATION TRANSACTION

As at the date of this announcement, the Target Assets, Target Liabilities, Non-Target Assets and Non-Target Liabilities are held by subsidiaries of the Offeree. The Company, having considered the strategic benefits of focusing on its core clinical CRO business and in the Chinese market where the Company is headquartered and maintains its leadership position, for better strategic planning, capital allocation, and operational improvement decisions, resolved to divest its overseas laboratory services business, and to realize its investment gains in the Offeree through the Proposal and the subsequent Separation Transaction. As such, the Company, Hongkong Tigermed, CRL, Frontage ACE, Dr. Li and Dr. Li's Trusts entered into the Transaction Agreement to effect the Separation Transaction.

Pursuant to the Transaction Agreement, after the Effective Date, the parties to the Transaction Agreement will effect certain transfers, distributions and contributions of the Target Assets, the Target Liabilities, the Non-Target Assets and the Non-Target Liabilities and, thereafter, equity interests of certain subsidiaries of the Offeree. Pursuant to the Transaction Agreement, the Consortium Members have agreed to cooperate in good faith and use reasonable best efforts to implement the Separation Transaction which comprises the Asset Restructuring, Adjustment of Ownership and Equity Transfer.

Asset Restructuring

Following the consummation of the Asset Restructuring, (i) the Non-Target Assets and Non-Target Liabilities outside of the PRC (excluding Acme Bioscience, Inc.) will be held by Frontage Research or its subsidiaries, (ii) the Non-Target Assets and Non-Target Liabilities in the PRC and Acme Bioscience, Inc. will be held by Frontage International Limited or its subsidiaries, and (iii) the Target Assets and Target Liabilities will be held by Frontage Labs or its subsidiaries.

Adjustment of Ownership

The Transaction Agreement includes commercial terms with respect to the Separation Transaction, including but not limited to:

(a) the pre-determined Target Initial Consideration, Non-Target Non-China Initial Consideration and Non-Target China Initial Consideration agreed among the Consortium Members based on commercial considerations and market capitalization of the Offeree, which will ultimately form the basis for determining (i) the cash payable by CRL for adjustment of shareholding in the Offeror and (ii) the final shareholding in the Offeror subject to adjustments based on formulae;

(b) the mechanism and formulae for calculating the final shareholding percentages in the Offeror after the Scheme becomes effective and upon completion of the adjustment of shareholding in the Offeror;

(c) the mechanism and formulae for calculating the cash payments that need to be made by CRL to Hongkong Tigermed and (where applicable) Dr. Li and Dr. Li's Trusts and/or Frontage ACE, as elected by Dr. Li, and by Dr. Li, Dr. Li's Trusts and/or Frontage ACE, as elected by Dr. Li, to Hongkong Tigermed (where applicable).

The formulae for (b) and (c) above will include customary adjustments as described below, with initial estimated cash payments to be made at closing, and which payments will subsequently be customarily "trued up" through delivery of closing statements to be prepared within 120 days after the Closing:

(i) the calculation of the cash amount payable by CRL for the adjustment of the shareholding in the Offeror, will be adjusted for Target Net Working Capital Adjustment Amount and net debt (excluding operating lease liabilities and such other adjustment items as may be agreed by the Consortium Members and set out in the Transaction Agreement) of the Target Business (the "**Target Closing Net Debt**"), unpaid transaction expenses, the aggregate cash amount funded and paid by or on behalf of CRL and actually paid to the Offeree Shareholders or Option Holders under the Scheme, the Customer Advance Adjustment Amount, the separation costs and taxes specially allocated (excluding such amount of any such separation costs and taxes specially allocated and taxes in respect of the Separation Transaction that have been paid prior to the Closing by Hongkong Tigermed, Dr. Li, Dr. Li's Trusts, Frontage ACE or any of their respective affiliates (other than any Target Entity)), plus the cash returned to the Offeree in respect of unallocated Scheme Shares held by the trustee of the 2021 share award scheme of the Offeree, subject to other items to be agreed by the Consortium Members and set out in the Transaction Agreement; and

(ii) the calculation of the final shareholding percentages in the Offeror will be adjusted for net debt of the Non-Target Business in the PRC (the "**Non-Target China Closing Net Debt**") and outside the PRC (the "**Non-Target Non-China Closing Net Debt**").

Equity Transfer

Following the consummation of the Adjustment of Ownership as set out above, the Consortium Members shall cause the Offeror to distribute 100% of its outstanding equity interests in Frontage Research to Frontage ACE, in complete redemption of all of the Offeror Shares held by Dr. Li, Dr. Li's Trusts and their affiliates, and distribute 100% of the outstanding equity interests of Frontage International Limited to Hongkong Tigermed in complete redemption of all the Offeror Shares held by Hongkong Tigermed.

Shareholding Structure of the Offeree

Immediately upon the Closing, the Offeror and the Offeree will be owned as to 100% by CRL, and the Offeror and the Offeree Group (other than Frontage International Limited and its subsidiaries, which will become direct subsidiaries of Hongkong Tigermed) will cease to be subsidiaries of the Group. The completion of the Separation Transaction will therefore result in the deconsolidation of the assets and liabilities of the Offeror and the Offeree Group (other than Frontage International Limited and its subsidiaries) from the Group's consolidated accounts.

FINANCIAL EFFECT OF THE PROPOSAL AND THE SEPARATION TRANSACTION

Under the Proposal, the Group shall receive cancellation consideration of HK$535,667,400 (equivalent to approximately RMB461.2 million) (before deducting applicable taxes and expenses) in cash for the cancellation of the Company Scheme Shares. Subject to certain adjustments, the Group will also receive further cash payments for the adjustment of shareholding in the Offeror after adjustments as detailed in the section headed "D. The Transaction Agreement and The Separation Transaction – (III) Adjustment of Ownership" below are made. For detailed calculation of such cash payments, please refer to the section headed "D. The Transaction Agreement and The Separation Transaction – (III) Adjustment of Ownership" below. For the avoidance of doubt, the foregoing consideration does not take into account or include any payment that may be made under the 2026 Earnout Payment and 2027 Earnout Payment, respectively.

Based on the terms of Transaction Agreement and the Company's preliminary estimates, the gain arising from the Proposal and the Separation Transaction (from divestment of the Target Assets and the Non-Target Assets outside of the PRC (excluding Acme Bioscience, Inc.)) to be recognized by the Group in its consolidated income statement is expected to be not less than approximately RMB500 million (after elimination of intra-group transactions).

HONG KONG LISTING RULES IMPLICATIONS

Connected Transactions

Dr. Li is the chairman of the Offeree Board, a director of the Offeree and various subsidiaries of the Offeree, and the chief executive officer of Frontage Labs and hence a connected person of the Company at the subsidiary level. Frontage ACE is a company wholly-owned by Dr. Li. Accordingly, each of (i) the incorporation of the Offeror by Hongkong Tigermed with, amongst others, Dr. Li and Dr. Li's Trusts; (ii) the entering into the Consortium Agreement and the Transaction Agreement; (iii) the cancellation of the Chairman Scheme Shares in consideration for the crediting of the unpaid Offeror Shares held by Dr. Li and Dr. Li's Trusts under the Proposal; (iv) the Option Offer (in respect of the 7,600,000 Offeree Share Options held by Dr. Li and the irrevocable undertakings of Dr. Li to accept the Option Offer in respect of the 7,600,000 Offeree Share Options held by him); (v) the Adjustment of Ownership involving Dr. Li and Dr. Li's Trusts; and (vi) the transfer of equity interest in Frontage Research to Frontage ACE pursuant to the terms of the Consortium Agreement, the Transaction Agreement and the Implementation Agreement in respect of the Proposal and the Separation Transaction constitutes a connected transaction with a connected person at the subsidiary level.

Pursuant to Rule 14A.76(1)(a), as all the percentage ratios in respect of the incorporation of the Offeror by Hongkong Tigermed with, amongst others, Dr. Li and Dr. Li's Trusts, are less than 0.1% and the incorporation of the Offeror is conducted on normal commercial terms or better, the incorporation of the Offeror is fully exempt from shareholders' approval, annual review and all disclosure requirements.

Pursuant to Rule 14A.101 of the Hong Kong Listing Rules, as (i) the Board has approved the Consortium Agreement, the Transaction Agreement, the Proposal, the Separation Transaction and the transactions contemplated thereunder, including but not limited to (a) the entering into the Consortium Agreement in respect of the Offeror in which Dr. Li is also a shareholder, (b) the cancellation of the Chairman Scheme Share in consideration for crediting of the unpaid Offeror Shares held by Dr. Li and Dr. Li's Trusts; (c) the Option Offer (in respect of Offeree Share Options held by Dr. Li); (d) the Adjustment of Ownership involving Dr. Li; and (e) the transfer of equity interest of Frontage Research to Frontage ACE; and (ii) the independent non-executive Directors have confirmed that the terms of the Consortium Agreement, the Transaction Agreement, the Proposal, the Separation Transaction and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms or better and in the interests of the Company and its Shareholders as a whole, each of the aforesaid transactions is only subject to the reporting and announcement requirements, and is exempt from the circular, independent financial advice and Shareholders' approval requirements under Rule 14A.101 of Hong Kong Listing Rules.

Notifiable Transactions

The Proposal

The Offeror's proposal to effect the Scheme will result in, among other things, the effective disposal of the Company Scheme Shares. As none of the applicable percentage ratios (as defined under Rule 14.07 of the Hong Kong Listing Rules) in respect of the disposal of the Company Scheme Shares held by the Company is more than 5%, the disposal of the Company Scheme Shares as a result of the Proposal to effect the Scheme does not constitute a discloseable transaction of the Company.

As more than one of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the cancellation of Hongkong Tigermed Scheme Shares in consideration for the Hongkong Tigermed Cancellation Consideration, being the crediting of the unpaid Offeror Shares held by Hongkong Tigermed as being fully paid in the amount of the Cancellation Price of HK$2.370 per Offeror Share are more than 5% but all are less than 25%, the cancellation of Hongkong Tigermed Scheme Shares in consideration for the Hongkong Tigermed Cancellation Consideration, being the crediting of the unpaid Offeror Shares held by Hongkong Tigermed as being fully paid in the amount of the Cancellation Price of HK$2.370 per Offeror Share constitutes a discloseable transaction of the Company and is therefore subject to the notification and announcement requirements, but exempt from the circular and shareholders' approval requirements, under Chapter 14 of the Listing Rules.

Separation Transaction

As disclosed in this announcement, subject to the Scheme becoming effective, the transfer of equity interest in Frontage International Limited from the Offeror to Hongkong Tigermed in consideration for the redemption of the equity interests held by Hongkong Tigermed in the Offeror as the last step of Separation Transaction will result in each of the Offeror and the Offeree ceasing to be a subsidiary of the Company and the acquisition of Frontage International Limited by Hongkong Tigermed as direct wholly owned subsidiary. Effectively, the Separation Transaction will result in the disposal of the Offeree Group other than Frontage International Limited (and its subsidiaries) by the Group.

As more than one of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Equity Transfer and complete redemption by the Offeror of all the Offeror Shares held by Hongkong Tigermed (and the resulting deconsolidation of the assets and liabilities of the Offeree Group from the Group's consolidated accounts, after taking into account the retention of Frontage International Limited and its subsidiaries by the Group) are more than 5% but all are less than 25%, the Equity Transfer and complete redemption by the Offeror of all the Offeror Shares held by Hongkong Tigermed (and the

resulting deconsolidation of the assets and liabilities of the Offeree Group from the Group's consolidated accounts, after taking into account the retention of Frontage International Limited and its subsidiaries by the Group) constitute a discloseable transaction of the Company and are therefore subject to the notification and announcement requirements, but exempt from the circular and shareholders' approval requirements, under Chapter 14 of the Listing Rules.

SZSE LISTING RULES IMPLICATIONS

According to the SZSE Listing Rules, for a transaction from which profit is generated accounting for more than 50% of the audited net profit of the listed company for its most recent accounting year and with an absolute amount exceeding RMB5 million, it shall also be submitted to the general meeting for consideration after being considered and approved by the board of directors. Since profit generated from the transaction contemplated under the Consortium Agreement, the Transaction Agreement, the Proposal and the Separation Transaction will account for more than 50% of the audited net profit of the Company for its most recent accounting year and will have an absolute amount exceeding RMB5 million, transactions contemplated under the Consortium Agreement, the Transaction Agreement, the Proposal and the Separation Transaction shall be approved at the general meeting of the Company by Shareholders holding more than one-half of the voting rights represented by shareholders present and entitled to vote at such meeting.

TIGERMED EGM

The Company will convene the Tigermed EGM to consider and, if thought fit, approve the Consortium Agreement, the Transaction Agreement, the Proposal and the Separation Transaction. A circular containing details of the above resolutions and a notice of the Tigermed EGM will be dispatched to the Shareholders.

A. INTRODUCTION

The Company, having considered the strategic benefits of focusing on its core clinical CRO business and in the Chinese market where the Company is headquartered and maintains its leadership position, for better strategic planning, capital allocation, and operational improvement decisions, resolved to divest its overseas laboratory services business, namely the Target Assets and the Non-Target Assets outside of the PRC (excluding Acme Bioscience, Inc.) and to realize its investment gains in the Offeree through the Proposal and the subsequent Separation Transaction.

The Board is pleased to announce that on November 9, 2026 (after trading hours),

(a) Hongkong Tigermed, CRL and Dr. Li entered into the Consortium Agreement in relation to, among others, the Proposal;

(b) the Offeror and the Offeree entered into the Implementation Agreement; and

(c) the Company, Hongkong Tigermed, CRL, Frontage ACE, Dr. Li and Dr. Li's Trusts entered into the Transaction Agreement in relation to, among others, the Separation Transaction.

Reference is made to the Rule 3.5 Announcement jointly published by the Offeror and the Offeree on November 9, 2026 (after trading hours) in connection with the pre-conditional privatization of the Offeree by the Offeror by way of the Scheme and proposed withdrawal of listing of the Offeree Shares.

B. THE INCORPORATION OF THE OFFEROR, THE CONSORTIUM AGREEMENT, THE PROPOSAL AND THE EARNOUT ARRANGEMENT

The Offeror was incorporated in the Cayman Islands with limited liability to act as an investment holding company for the purpose of implementing the Proposal. As at the date of this announcement, the Offeror has an issued share capital of 2,038,538,910 Offeror Shares of a par value of US$0.00001, and is owned as to 38.27%, 53.40%, 1.63%, 2.24%, 2.24% and 2.24% by CRL, Hongkong Tigermed, Dr. Li, The Linna Li GST Exempt Trust, The Wendy Li GST Exempt Trust and The Yue Monica Li GST Exempt Trust, respectively. As at the date of this announcement, the Offeror is a non-wholly owned subsidiary of the Company, and the shares held by Hongkong Tigermed, Dr. Li, The Linna Li GST Exempt Trust, The Wendy Li GST Exempt Trust and The Yue Monica Li GST Exempt Trust, respectively, are unpaid.

(I) The Consortium Agreement

On November 9, 2026 (after trading hours), the Consortium Members entered into the Consortium Agreement, pursuant to which:

(i) each Consortium Member agrees to work together in good faith in connection with the Proposal, including in connection with, among others,

(a) the preparation and submission of all materials relating to the Proposal, the material components of the timetable and steps required to put forward the Proposal and any communication with the Offeree or any of its representatives;

(b) negotiations with the Offeree or any of its representatives;

(c) preparation of the Scheme Document and regulatory disclosures; and

(d) determination of the terms, conditions and structure of the Proposal and other terms of the transactions contemplated thereby, and, to the extent required to be disclosed in the Rule 3.5 announcement or the Scheme Document, the terms of the Separation Transaction.

(ii) with respect to the 2026 Earnout Payment and the 2027 Earnout Payment, the parties shall mutually appoint an internationally recognized accounting firm to review, in accordance with applicable accounting and review standards, the Earnout Financial Statements for the purposes of determining the amount of the 2026 Earnout Payment and the 2027 Earnout Payment (if any) by reference to the revenue and the Adjusted EBITDA Margin of the Target Business, and the parties shall cooperate with the aforementioned accounting firm and provide them access to the books, records, properties and representatives of the Target Business as reasonably required by the accounting firm to complete the review; and

(iii) until the final determination of the accounting firm with respect to the 2026 Earnout Payment and the 2027 Earnout Payment, CRL shall maintain, or procure the maintenance of, separate books and records for the Target Business sufficient to permit the accounting firm to determine the revenue and the Adjusted EBITDA of the Target Business on a consistent basis. Following the consummation of the Separation Transaction, CRL shall have the sole control of the Target Business and be permitted to operate the Target Business in its sole discretion, and CRL may integrate the Target Business into its business operations (which may include intercompany transfers and reorganizations), provided that CRL shall be able to produce and track financial information as required for the purpose of the 2026 Earnout Payment and the 2027 Earnout Payment. CRL shall not, and shall procure that its affiliates shall not, take any actions with the purpose of materially impairing the achievement of the 2026 Earnout Payment and the 2027 Earnout Payment, or knowingly take any actions that in the aggregate intentionally divert business away from the Target Business with the purpose of materially impairing the achievement of the 2026 Earnout Payment and the 2027 Earnout Payment.

(II) The Proposal

Terms of the Proposal

If the Proposal is approved and implemented:

The Scheme and the Maintenance of the Issued Share Capital of the Offeree

(i) the Hongkong Tigermed Scheme Shares held by Hongkong Tigermed will be cancelled on the Effective Date in consideration for the Hongkong Tigermed Cancellation Consideration, being the crediting of the unpaid Offeror Shares held by Hongkong Tigermed as being fully paid in the amount of the Cancellation Price of HK$2.370 per Offeror Share;

(ii) the Chairman Scheme Shares held by Dr. Li and Dr. Li's Trusts will be cancelled on the Effective Date in consideration for the Chairman Cancellation Consideration, being the crediting of the unpaid Offeror Shares held by Dr. Li and Dr. Li's Trusts as being fully paid in the amount of the Cancellation Price of HK$2.370 per Offeror Share;

(iii) the Company Scheme Shares and all the other Scheme Shares held by other Scheme Shareholders will be cancelled on the Effective Date in consideration for the Cancellation Price of HK$2.370 per Scheme Share, which shall be paid in cash by the Offeror to such other Scheme Shareholders; and

(iv) the issued share capital of the Offeree will, on the Effective Date, be maintained at the amount immediately prior to the cancellation of the Scheme Shares by allotting and issuing to the Offeror the same number of new Offeree Shares, credited as fully paid, as the number of Scheme Shares cancelled. The reserve created in the books of account of the Offeree as a result of the cancellation of the Scheme Shares will be applied in paying up in full at par the new Offeree Shares so allotted and issued to the Offeror, accordingly the Offeree will become directly wholly-owned by the Offeror.

The Implementation of the Option Offer

As of the date of this announcement, a total of 79,087,000 Offeree Share Options are outstanding under the Offeree Share Incentive Plans, including:

- 9,150,000 Offeree Share Options granted under the 2015 Offeree Share Incentive Plan with an exercise price of US$0.057 per Share;

- 30,550,000 Offeree Share Options granted under the 2018 Offeree Share Incentive Plan with an exercise price of HK$0.820 per Share;

- 20,722,000 Offeree Share Options granted under the 2018 Offeree Share Incentive Plan with an exercise price of HK$2.092 per Share; and

- 18,665,000 Offeree Share Options granted under the 2018 Offeree Share Incentive Plan with an exercise price of HK$2.130 per Share.

To the extent that the outstanding Offeree Share Options have not otherwise lapsed, been cancelled or exercised, the Offeror will make (or procure to be made on its behalf) the Option Offer to the Option Holders in accordance with Rule 13 of the Takeovers Code to cancel every outstanding Offeree Share Option (including vested and unvested Offeree Share Options), conditional upon the Scheme becoming effective.

Under the Option Offer, the Offeror will offer the Option Holders the "see-through" Option Offer Price (being the Cancellation Price minus the relevant exercise price of the outstanding Share Option) for the cancellation of every Offeree Share Option. Where the exercise price of the relevant Offeree Share Option exceeds the Cancellation Price, the "see-through" Option Offer Price is zero and a cash offer of a nominal amount of HK$0.0001 per Offeree Share Option will be made by the Offeror for the cancellation of each outstanding Offeree Share Option held. In this regard, the relevant Option Offer Price applicable to the Offeree Share Options is as follows:

For every Offeree Share Option with
exercise price of US$0.057 granted under
the 2015 Offeree Share Incentive Plan cancelled . . . . . .HK$1.926 in cash

For every Offeree Share Option with
exercise price of HK$0.820 granted under
the 2018 Offeree Share Incentive Plan cancelled . . . . . .HK$1.550 in cash

For every Offeree Share Option with
exercise price of HK$2.092 granted under
the 2018 Offeree Share Incentive Plan cancelled . . . . . .HK$0.278 in cash

For every Offeree Share Option with
exercise price of HK$2.130 granted under
the 2018 Offeree Share Incentive Plan cancelled . . . . . .HK$0.240 in cash

The Offeree has confirmed that it does not intend to, and has agreed under the Implementation Agreement not to grant any further options or awards under the Offeree Share Incentive Plans prior to the earlier of (i) the Effective Date and (ii) the termination date of the Implementation Agreement. Further information on the Option Offer will be set out in a letter to the Option Holders, which will be despatched at or around the same time as the despatch of the Scheme Document.

Dr. Li is a director of the Offeree and hence a connected person of the Company at the subsidiary level. As at the date of this announcement, Dr. Li holds a total of 7,600,000 Offeree Share Options that are outstanding under the Offeree Share Incentive Plans, which shall constitute part of the Option Offer. The Option Offer to Dr. Li (and the irrevocable undertakings of Dr. Li to accept the Option Offer in respect of the 7,600,000 Offeree Share Options held by him) constitutes a connected transaction of the Company. Please see the section headed "I. Hong Kong Listing Rules Implications – (I) Connected transactions" for further details.

The Implementation of the Earnout Arrangement

In addition to the payment of the Cancellation Price or the Option Offer Price (as applicable), all the Scheme Shareholders as at the Scheme Record Date and the Option Holders that have accepted the Option Offer are entitled to receive an earnout payment, calculated on a sliding scale by reference to the revenue and the Adjusted EBITDA Margin of the Target Business as set out in the section headed "Earnout Arrangement" in the Rule 3.5 Announcement and subsection "(III) Earnout Arrangement" below, based on the Earnout Financial Statements of the Target Business for the years ending December 31, 2026 and 2027 as reviewed by an internationally recognized accounting firm in accordance with applicable accounting and review standards, conditional upon the Scheme becoming effective.

The Withdrawal of the Listing of the Offeree Shares from the Stock Exchange

Upon the Scheme becoming effective, all Scheme Shares will be cancelled (with the equivalent number of new Offeree Shares being contemporaneously issued and credited as fully paid to the Offeror to maintain the issued share capital of the Offeree at the amount immediately prior to the cancellation of the Scheme Shares) and the share certificates for the Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Offeree will make an application for the listing of the Offeree Shares to be withdrawn from the Stock Exchange in accordance with Rule 6.15 of the Listing Rules and such withdrawal is expected to take place immediately following the Effective Date. For further details, please see the section headed "Withdrawal of Listing of the Shares" in the Rule 3.5 Announcement.

Cancellation Price per Scheme Share

The Cancellation Price of HK$2.370 per Scheme Share represents (i) a premium of approximately 107.9% over the closing price of HK$1.140 per Offeree Share as quoted on the Stock Exchange on the Undisturbed Date; (ii) a premium of approximately 59.1% over the closing price of HK$1.490 per Offeree Share as quoted on the Stock Exchange on the Last Trading Date; (iii) a premium of approximately 108.5% over the average closing price of approximately HK$1.137 per Offeree Share as quoted on the Stock Exchange for the 30 trading days up to and including the Undisturbed Date; (iv) a premium of approximately 80.1% over the audited consolidated net asset value per Offeree Share attributable to the Offeree Shareholders of approximately HK$1.32 as at December 31, 2025 (calculated based on the audited consolidated net asset value of the Offeree Group attributable to the Offeree Shareholders of US$346,786,000 (equivalent to approximately HK$2,679,615,422 based on the exchange rate of US$1:HK$7.7270, being the opening buying demand draft rate of US$ to HK$ as announced by the Hong Kong Association of Banks (www.hkab.org.hk) on December 31, 2025) as at December 31, 2025 as extracted from the Offeree's 2025 annual report and 2,035,724,910 Offeree Shares (being the total number of the Offeree Shares in issue as at December 31, 2025)); and (v) a premium of approximately 75.2% over the unaudited consolidated net asset value per Offeree Share attributable to the Offeree Shareholders of approximately HK$1.35 as at June 30, 2026 (calculated based on the unaudited consolidated net asset value of the Offeree Group attributable to the Offeree Shareholders of US$354,893,000 (equivalent to approximately HK$2,763,019,452 based on the exchange rate of US$1:HK$7.7855 being the opening buying demand draft rate of US$ to HK$ as announced by the Hong Kong Association of Banks (www.hkab.org.hk) on June 30, 2026) as at June 30, 2026 as extracted from the Offeree's 2026 interim report and 2,042,074,910 Offeree Shares (being the total number of the Offeree Shares in issue as at June 30, 2026)).

The trading volume on the Last Trading Date was 4,282,000 Offeree Shares. The average trading volume over the twelve-month period immediately up to and including the Undisturbed Date was approximately 204,414 Offeree Shares. The share price of the Offeree traded up by approximately 13.3% on the Last Trading Date and up by approximately 15.4% on the day prior to the Last Trading Date. In contrast, the Hang Seng Index traded down by approximately 0.9% on the Last Trading Date and down by approximately 1.3% on the date prior to the Last Trading Date.

Basis for determining the Cancellation Price

The Cancellation Price has been determined on a commercial basis after taking into account, among other things, the recent and historical trading prices of the Offeree Shares, publicly available financial information of the Offeree, and with reference to other privatization transactions in Hong Kong in recent years.

The Offeror will not increase the Cancellation Price and does not reserve the right to do so. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Cancellation Price.

(III) Earnout Arrangement

In addition to the payment of the Cancellation Price or the Option Offer Price (as applicable), all the Scheme Shareholders as at the Scheme Record Date and the Option Holders that have accepted the Option Offer are entitled to receive an earnout payment, calculated on a sliding scale by reference to the revenue and the Adjusted EBITDA Margin of the Target Business as set out below, based on the Earnout Financial Statements of the Target Business for the years ending December 31, 2026 and 2027 as reviewed by an internationally recognized accounting firm in accordance with applicable accounting and review standards, conditional upon the Scheme becoming effective. The earnout payment per Scheme Share and per Offeree Share underlying the Offeree Share Option in respect of which the Option Offer has been accepted will be calculated by dividing the 2026 Earnout Payment or the 2027 Earnout Payment (as applicable) by the aggregate number of (i) the Scheme Shares as at the Scheme Record Date and (ii) the Offeree Share Options in respect of which the Option Offer has been accepted.

If, for the year ending December 31, 2026, (i) the revenue of the Target Business exceeds US$114,000,000 and (ii) the Adjusted EBITDA Margin of the Target Business is at least 36%, an earnout payment (the "**2026 Earnout Payment**") will be payable in an amount equal to US$5.00 for every US$1.00 by which such revenue exceeds US$114,000,000, up to a maximum aggregate 2026 Earnout Payment of US$50,000,000. If either condition is not satisfied, no 2026 Earnout Payment will be payable. Accordingly, the maximum 2026 Earnout Payment is payable if the revenue of the Target Business is at least US$124,000,000 and the Adjusted EBITDA Margin of the Target Business is at least 36%.

For illustrative purpose, the amount of the 2026 Earnout Payment payable in respect of each Scheme Share or each Offeree Share underlying the Offeree Share Option in respect of which the Option Offer has been accepted is calculated by dividing the total amount of the 2026 Earnout Payment by the aggregate number

of (i) the Scheme Shares as at the Scheme Record Date and (ii) the Offeree Share Options in respect of which the Option Offer has been accepted. Assuming (a) all the outstanding vested and unvested Offeree Share Options (other than the 7,600,000 Offeree Share Options held by Dr. Li) are exercised and the relevant Option Holders have become Scheme Shareholders on or before the Scheme Record Date; (b) the 2026 Earnout Payment in the maximum amount is payable under the Earnout Arrangement set out in the section headed "Earnout Arrangement" above; and (c) there is no other change in the shareholding of the Offeree before the Scheme Record Date, the amount of the 2026 Earnout Payment payable in respect of each Scheme Share or each Offeree Share underlying the Offeree Share Option in respect of which the Option Offer has been accepted will be US$0.024. The 2026 Earnout Payment (if any) will be paid to each Scheme Shareholder as at the Scheme Record Date and each relevant Option Holder that has accepted the Option Offer within 30 days after the Earnout Financial Statements of the Target Business for the year ending December 31, 2026 have been reviewed by an internationally recognized accounting firm and signed by directors of Offeree or the relevant subsidiaries, subject to any extension arising from the operation of the dispute resolution mechanism agreed among the Consortium Members.

If, for the year ending December 31, 2027, (i) the revenue of the Target Business exceeds US$128,000,000 and (ii) the Adjusted EBITDA Margin of the Target Business is at least 37%, an earnout payment (the "**2027 Earnout Payment**") will be payable in an amount equal to US$1.00 for every US$1.00 by which such revenue exceeds US$128,000,000, up to a maximum aggregate 2027 Earnout Payment of US$25,000,000. If either condition is not satisfied, no 2027 Earnout Payment will be payable. Accordingly, the maximum 2027 Earnout Payment is payable if the revenue of the Target Business is at least US$153,000,000 and the Adjusted EBITDA Margin of the Target Business is at least 37%.

For illustrative purpose, the amount of the 2027 Earnout Payment payable in respect of each Scheme Share or each Offeree Share underlying the Offeree Share Option in respect of which the Option Offer has been accepted is calculated by dividing the total amount of the 2027 Earnout Payment by the aggregate number of (i) the Scheme Shares as at the Scheme Record Date and (ii) the Offeree Share Options in respect of which the Option Offer has been accepted. Assuming (a) all the outstanding vested and unvested Offeree Share Options (other than the 7,600,000 Offeree Share Options held by Dr. Li) are exercised and the relevant Option Holders have become Scheme Shareholders on or before the Scheme Record Date; (b) the 2027 Earnout Payment in the maximum amount is payable under the Earnout Arrangement set out in the section headed "Earnout Arrangement" above; and (c) there is no other change in the shareholding of the Offeree before the Scheme Record Date, the amount of the 2027 Earnout Payment payable in respect of each Scheme Share or each Offeree Share underlying the Offeree Share Option

in respect of which the Option Offer has been accepted will be US$0.012. The 2027 Earnout Payment (if any) will be paid to each Scheme Shareholder as at the Scheme Record Date and each relevant Option Holder that has accepted the Option Offer within 30 days after the Earnout Financial Statements of the Target Business for the year ending December 31, 2027 have been reviewed by an internationally recognized accounting firm and signed by directors of Offeree or the relevant subsidiaries, subject to any extension arising from the operation of the dispute resolution mechanism agreed among the Consortium Members.

Details of the payment arrangement in respect of the 2026 Earnout Payment and 2027 Earnout Payment will be disclosed in the Scheme Document.

(IV) Pre-Conditions and Conditions to the Proposal

Pre-Conditions to the Proposal

The making of the Proposal is subject to the satisfaction of the following Pre-Conditions:

(i) the passing of the requisite resolutions at a duly convened general meeting of the Company in relation to the Proposal and the Separation Transaction to the extent required under Applicable Laws, the rules of the Shenzhen Stock Exchange, the Listing Rules and the constitutional documents of the Company, by shareholders holding more than one-half of the voting rights represented by Shareholders present and entitled to vote at such meeting, or such other threshold as may be required under Applicable Laws, the rules of the Shenzhen Stock Exchange, and the constitutional documents of the Company;

(ii) with respect to any required filings in the United States under the United States Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder, the expiration or termination of any applicable waiting periods in connection with the Scheme or the acquisition of the Target Business by CRL (and any extension thereof, including any applicable timing agreements, understandings or commitments entered into with or made to a governmental entity to extend any waiting period or not close the Scheme or the acquisition of the Target Business by CRL);

(iii) all consents or approvals that are required under Applicable Laws without which would prohibit the Offeror from making the Proposal having been obtained; and

(iv) up to and including the time when the Pre-Conditions set out in paragraphs (i), (ii) and (iii) above are satisfied, (a) no Authority in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry, or enacted or made or publicly proposed, and (b) there being no outstanding statute, regulation, demand or order, in each case that would make the Proposal void, unenforceable or illegal or prohibit the implementation of or which would impose any material conditions, limitations or obligations with respect to the Proposal.

The Pre-Conditions set out above are not waivable, but the Offeror may, in its sole discretion and to the extent it thinks fit depending on the progress made on the satisfaction of such Pre-Conditions, elect to proceed with the implementation of the Proposal notwithstanding that not all of these Pre-Conditions have been fully satisfied by the Pre-Conditions Long Stop Date or, if applicable, the Extended Pre-Conditions Long Stop Date, provided that these Pre-Conditions are fully satisfied by the Conditions Long Stop Date or, if applicable, the Extended Conditions Long Stop Date.

As at the date of this announcement, (i) none of the Pre-Conditions have been satisfied; and (ii) other than those set out in Pre-Conditions (i) and (ii), the Offeror is not aware of any consents or approvals referred to under Pre-Condition (iii) above. The Company will issue a further announcement as soon as possible after the Pre-Conditions have been satisfied (or, if applicable, as soon as possible after the Offeror has elected to proceed with the implementation of the Proposal notwithstanding that not all of these Pre-Conditions have been fully satisfied by the Pre-Conditions Long Stop Date or, if applicable, the Extended Pre-Conditions Long Stop Date). If the Pre-Conditions are not satisfied and if the Offeror has not elected to proceed with the implementation of the Proposal on or before the Pre-Conditions Long Stop Date or, if applicable, the Extended Pre-Conditions Long Stop Date, the Proposal will not be made, and the Scheme Shareholders and the Option Holders will be notified by a further announcement as soon as practicable thereafter.

Conditions to the Proposal and the Scheme

The Proposal will only be implemented, and the Scheme will only become effective and binding on the Offeree and all of the Scheme Shareholders, if the following Conditions are fulfilled or waived (as applicable):

(i) the approval of the Scheme (by way of poll) by the holders of Scheme Shares, representing not less than 75% in value of the Scheme Shares held by the holders of Scheme Shares present and voting either in person or by proxy at the Scheme Meeting;

(ii) the approval of the Scheme (by way of poll) by the Disinterested Offeree Shareholders holding at least 75% of the votes attaching to the Scheme Shares held by the Disinterested Offeree Shareholders that are voted either in person or by proxy at the Scheme Meeting, provided that the number of votes cast (by way of poll) by the Disinterested Offeree Shareholders present and voting either in person or by proxy at the Scheme Meeting against the resolution to approve the Scheme at the Scheme Meeting is not more than 10% of the votes attaching to all of the Scheme Shares held by the Disinterested Offeree Shareholders;

(iii) the passing of a special resolution by a majority of not less than three-fourths of the voting rights held by such Offeree shareholders as, being entitled to do so, vote in person or by proxy at the Offeree EGM to (i) approve and give effect to any reduction of the share capital of the Offeree associated with the cancellation of the Scheme Shares; and (ii) contemporaneously therewith maintain the issued share capital of the Offeree at the amount immediately prior to the cancellation of the Scheme Shares by applying the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par such number of new Offeree Shares as is equal to the number of Scheme Shares cancelled for issuance to the Offeror;

(iv) the sanction of the Scheme (with or without modification) by the Grand Court and the delivery to the Registrar of Companies in the Cayman Islands of a copy of the order of the Grand Court for registration;

(v) all necessary Approvals in connection with the Proposal having been obtained from, given by or made with (as the case may be) the Authorities, in the Cayman Islands, Hong Kong and any other relevant jurisdictions;

(vi) all Approvals in connection with the Proposal and the Separation Transaction remaining in full force and effect without variation, and all necessary statutory or regulatory obligations in all relevant jurisdictions having been complied with and no requirement having been imposed by any Authorities which is not expressly provided for, or is in addition to requirements expressly provided for, in relevant laws, rules, regulations or codes in connection with the Proposal or any matters, documents (including circulars) or things relating thereto, in each aforesaid case up to and at the time when the Scheme becomes effective;

(vii) all necessary consents which may be required for the implementation of the Proposal and the Scheme under any existing contractual obligations of the Offeree having been obtained or waived by the relevant party(ies), where any failure to obtain such consent or waiver would have a material adverse effect on the business of the Offeree Group;

(viii) no Authority in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry or enacted, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order that would make the Proposal or the Scheme or its implementation in accordance with its terms void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Proposal or the Scheme or its implementation in accordance with its terms); and

(ix) between the date of the Rule 3.5 Announcement and up to immediately prior to the time when the Scheme becomes effective, there having been no adverse change to the business, assets, financial or trading positions, profits or prospects of any member of the Offeree Group (to an extent which is material in the context of the Offeree Group taken as a whole or in the context of the Proposal).

The Conditions in paragraphs (i) to (iv) (inclusive) above are not waivable. The Offeror reserves the right to waive all or any of the Conditions in paragraphs (v) to (ix) (inclusive) above in whole or in part, either generally or in respect of any particular matter. Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror may only invoke any or all of the Conditions as a basis for not proceeding with the Proposal if the circumstances which give rise to the right to invoke such Condition are of material significance to the Offeror in the context of the Proposal. The Offeree does not have the right to waive any of the Conditions. All of the above Conditions must be fulfilled or waived, as applicable, on or before the Conditions Long Stop Date, failing which the Proposal and the Scheme will lapse. As at the date of this announcement, none of the Conditions have been satisfied or waived.

If approved and implemented, the Scheme will be binding on all of the Scheme Shareholders, irrespective of whether or not they attended or voted at the Scheme Meeting or the Offeree EGM.

The Option Offer is conditional upon the Scheme becoming effective.

(V) Financial Resources

The Offeror intends to finance the cash consideration payable under the Proposal through CRL's internal resources and/or external financing.

(VI) Shareholding Structure of the Offeree and Financial Impact of the Scheme

The table below sets out the shareholding structure of Offeree as at the date of this announcement and immediately following implementation of the Proposal, assuming that there is no other change in the shareholding of Offeree before the Effective Date.

Offeree Shareholder	As at the date of this announcement		Immediately upon completion of the Proposal	
	Number of Offeree Shares	*Approximate % of total number of issued Offeree Shares*	*Number of Offeree Shares*	*Approximate % of total number of issued Offeree Shares*
(A) Offeror	–	–	2,038,538,910	100%
(B) Consortium Members				
CRL	–	–	–	–
Hongkong Tigermed	1,088,484,090	53.40%	–	–
Dr. Li	33,133,050	1.63%	–	–
The Linna Li GST Exempt Trust[(2)]	45,600,090	2.24%	–	–
The Wendy Li GST Exempt Trust[(2)]	45,602,090	2.24%	–	–
The Yue Monica Li GST Exempt Trust[(2)]	45,606,090	2.24%	–	–
(C) Parties acting in concert with any of them				
Tigermed	226,020,000	11.09%	–	–
Mr. Xin Huang	8,000	0.00%		
Sub-total of Offeror, Consortium Members and the parties acting in concert with any of them	1,484,453,410	72.82%	2,038,538,910	100%
(D) Disinterested Offeree Shareholders				
Offeree Directors (other than Dr. Li)				
Dr. Zhongping Lin	2,129,156	0.10%	–	–
Sub-total of Offeree Directors (other than Dr. Li)	2,129,156	0.10%	–	–
Other Disinterested Offeree Shareholders	551,956,344	27.08%	–	–
Sub-total of Disinterested Offeree Shareholders	554,085,500	27.18%	–	–
Total number of issued Offeree Shares	2,038,538,910	100%	2,038,538,910	100%

1. All percentages in the above table are approximations and rounded to the nearest 2 decimal places and the aggregate percentages may not add up due to rounding of the percentages to 2 decimal places.

2. Dr. Li is the grantor of The Linna Li GST Exempt Trust, The Wendy Li GST Exempt Trust and the Yue Monica Li GST Exempt Trust.

Immediately upon the implementation of the Proposal but prior to the completion of the Separation Transaction, each of the Offeror and the Offeree will remain as a subsidiary of the Company. The financial results of the Offeror and the Offeree will remain consolidated into the consolidated statements of the Company prior to the completion of the Separation Transaction. For further details of the financial impact of the Proposal and the Separation Transaction, please see the section headed "F. Financial Effect of the Proposal and the Separation Transaction" below.

(VII) Termination of the Consortium Agreement

The Consortium Agreement will terminate upon the earliest to occur of (i) the date on which the Scheme is withdrawn or lapses in accordance with the Takeovers Code; (ii) closing of the Equity Transfer (the "**Closing**") (provided that the provisions relating to the Earnout Arrangement will survive the Closing until the 2026 Earnout Payment and the 2027 Earnout Payment (if any) have been finally determined and paid); or (iii) such other date as the parties may otherwise agree in writing and as consented to by the Executive and in compliance with the Applicable Laws (but without prejudice to any accrued rights or liabilities arising prior to such termination).

C. IMPLEMENTATION AGREEMENT

On November 9, 2026 (after trading hours), the Offeror and the Offeree entered into the Implementation Agreement, pursuant to which the parties have agreed to use all reasonable endeavors to:

(i) do and execute, or procure the doing and executing of, each necessary act, document and thing within their power to implement the Proposal and the Separation Transactions on the terms and subject to the conditions referred to in the Implementation Agreement, the Pre-Conditions and Conditions and to give effect to the matters specified in, and to act in accordance with, the Rule 3.5 Announcement, the Scheme Document and any order of the Grand Court; and

(ii) without requiring the Offeror to waive any Condition or to treat any Pre-Condition or Condition as satisfied, achieve satisfaction of the Pre-Conditions and the Conditions as promptly as reasonably practicable and in any event by no later than the Conditions Long Stop Date (or such other date as the parties may agree from time to time).

In addition, under the Implementation Agreement, the Offeree has undertaken to the Offeror that, among others:

(a) it will use all reasonable endeavors to adhere to the Scheme timetable and take all steps/actions necessary to give effect (in a timely manner) to each of the steps/actions set out in the Scheme timetable and take all and any other steps/actions required to give effect to the Scheme;

(b) it will conduct its business in the ordinary course of business consistent with past practice;

(c) it will not, and will procure that each member of the Offeree Group will not, without the prior written consent of the Offeror (not to be unreasonably withheld or delayed), prior to the earlier of (i) the Effective Date and (ii) the termination of the Implementation Agreement, among others:

(i) issue or repurchase any securities or make any change to the share capital of any member of the Offeree Group (other than pursuant to any obligations under the Offeree Share Incentive Plans and the 2021 share award scheme of the Offeree or in respect of any wholly-owned member of the Offeree Group);

(ii) except for a dividend declared by Frontage Labs on February 9, 2008, in the total amount of US$210,333.20 (approximately US$0.002 per share) to shareholders of Frontage Labs whose names appeared on the shareholder register of Frontage Labs on the even date (which as of the date of this announcement, US$209,105.96 has been paid and the remaining amount is expected to be paid no later than the Effective Date) recommend, propose, declare, pay or make any bonus issue, dividend or other distribution whether payable in cash or otherwise, other than distributions to or from a wholly owned subsidiary of the Offeree, on the one hand, and the Offeree, on the other hand;

(iii) (w) merge or consolidate with any person, (x) acquire any assets (including shares or other interests in any entities, in each case other than any member of the Offeree Group) or invest in any joint venture, strategic alliance or partnership (other than solely among members of the Offeree Group), (y) sell, lease, license, transfer or otherwise dispose of any assets (including shares or other interests in any member of the Offeree Group or in any other entity in which it has an interest, or (z) authorise, agree or commit to, propose or announce any intention to propose any such merger, consolidation, demerger, acquisition or disposal, in each case of (x) and (y), (1) where the consideration received or paid by the relevant member of the Offeree Group exceeds a certain amount, or (2) which may constitute a frustrating action under Rule 4 of the Takeovers Code;

(iv) initiate, settle, compromise, pay, discharge or satisfy any legal proceedings in relation to any member of the Offeree Group, other than legal proceedings only involving monetary payments under a certain threshold;

(v) create, incur, assume, issue, grant, sell or otherwise permit to exist any lien over its business or any assets, except in the ordinary course of business consistent with past practice;

(vi) effect, adopt or enter into a plan of complete or partial liquidation, dissolution, demerger, merger, spin-off, recapitalization, conversion or other restructuring or reorganization of any member of the Offeree Group;

(vii) enter into, materially amend, renew on materially different terms or waive any material rights under any transaction or arrangement with any shareholder, director or officer of any member of the Offeree Group (or any affiliate or immediate family member of any of the foregoing), other than transactions solely among members of the Offeree Group, which is either (i) outside of the ordinary course of business or (ii) not on arm's length terms;

(viii) adopt or make any amendment to any dividend or distribution policy; and

(ix) enter into, terminate or amend the service contracts of any member of the board or employment contracts or other similar agreements (including severance and retention) of any member of senior management of the Offeree Group other than with respect to a (i) termination for cause (including breach of the agreement or any material provisions thereof) pursuant to the terms of such service contract, employment contract or other similar agreement, or (ii) employment or engagement of any new head of department or new C-suite member as may be required to replace any existing person in such roles who resigns, provided such employment/engagement must be for no longer than a temporary six month term.

The Offeree has also made various representations and warranties regarding itself, its subsidiaries and their respective businesses, including with respect to, among others, corporate organization and authorization, capitalization, financial statements, taxes, absence of certain changes and litigation.

The Implementation Agreement will terminate on the earliest of (i) the Proposal and the Scheme not being implemented by the Conditions Long Stop Date or, if applicable, the Extended Conditions Long Stop Date, (ii) the Scheme not being approved at the Scheme Meeting, (iii) the maintenance of the issued share capital of the Offeree at the amount immediately prior to the cancellation of the Scheme Shares not being approved at the Offeree EGM, (iv) the Scheme not being sanctioned by the Grand Court, or (v) the Scheme lapsing or being withdrawn.

D. THE TRANSACTION AGREEMENT AND THE SEPARATION TRANSACTION

(I) The Transaction Agreement

As at the date of this announcement, the Target Assets, Target Liabilities, Non-Target Assets and Non-Target Liabilities are held by subsidiaries of the Offeree. For the corporate structure of the Offeree as at the date of this announcement, please refer to the section headed "– (V) Shareholding Structure of Offeree" below.

The Company, having considered the strategic benefits of focusing on its core clinical CRO business and in the Chinese market where the Company is headquartered and maintains its leadership position, for better strategic planning, capital allocation, and operational improvement decisions, resolved to divest its overseas laboratory services business, and to realize its investment gains in the Offeree through the Proposal and the subsequent Separation Transaction. As such, on November 9, 2026 (after trading hours), the Company, Hongkong Tigermed, CRL, Frontage ACE, Dr. Li and Dr. Li's Trusts entered into the Transaction Agreement to effect the Separation Transaction.

Pursuant to the Transaction Agreement, after the Effective Date, the parties to the Transaction Agreement will effect certain transfers, distributions and contributions of the Target Assets, the Target Liabilities, the Non-Target Assets and the Non-Target Liabilities and, thereafter, equity interests of certain subsidiaries of Offeree. Pursuant to the Transaction Agreement, the Consortium Members have agreed to cooperate in good faith and use reasonable best efforts to implement the Separation Transaction, which comprises Asset Restructuring, Adjustment of Ownership and Equity Transfer.

(II) Asset Restructuring

The Consortium Members will cause Offeree and its applicable subsidiaries to take the actions, including:

(a) Frontage Labs will contribute the Non-Target Assets and Non-Target Liabilities outside of the PRC (excluding Acme Bioscience, Inc.) to Frontage Research;

(b) Frontage Labs will distribute its equity interest in Frontage Research (together with Non-Target Assets and Non-Target Liabilities outside of the PRC), Frontage Laboratories (Shanghai) Co., Ltd. (together with its equity interest in various subsidiaries in the PRC, which form part of the Non-Target Assets and Non-Target Liabilities in the PRC) and Acme Bioscience, Inc. (together with its equity interest in Hoya Global Limited and Acme Biopharma Co. Ltd.) to the Offeree;

(c) the Offeree will contribute its outstanding equity interest in Frontage Laboratories (Shanghai) Co., Ltd. (together with its equity interest in various subsidiaries in the PRC, which form part of the Non-Target Assets and Non-Target Liabilities in the PRC) and Acme Bioscience, Inc. (together with its equity interest in Hoya Global Limited and Acme Biopharma Co. Ltd.) to Frontage International Limited; and

(d) from and after the Scheme becoming effective, the Offeree will distribute the equity interest in Frontage Research (together with Non-Target Assets and Non-Target Liabilities outside of the PRC (excluding Acme Bioscience, Inc.)) and Frontage International Limited (together with its equity interest in various subsidiaries in the PRC, Hoya Global Limited and Acme Biopharma Co. Ltd., which form the Non-Target Assets and Non-Target Liabilities in the PRC) to the Offeror.

(III) Adjustment of Ownership

The Transaction Agreement includes commercial terms with respect to the Separation Transaction, including but not limited to:

(a) the pre-determined Target Initial Consideration, Non-Target Non-China Initial Consideration and Non-Target China Initial Consideration agreed among the Consortium Members based on commercial considerations and market capitalization of Offeree, which will ultimately form the basis for determining (i) the cash payable by CRL for adjustment of shareholding in the Offeror and (ii) the final shareholding in the Offeror subject to adjustments based on formulae;

(b) the mechanism and formulae for calculating the final shareholding percentages in the Offeror after the Scheme becomes effective and upon completion of the adjustment of shareholding in the Offeror; and

(c) the mechanism and formulae for calculating the cash payments that need to be made by CRL to Hongkong Tigermed and (where applicable) Dr. Li, Dr. Li's Trusts and/or Frontage ACE, as elected by Dr. Li and by Dr. Li, Dr. Li's Trusts and/or Frontage ACE, as elected by Dr. Li, to Hongkong Tigermed (where applicable).

The pre-determined Target Initial Consideration, Non-Target Non-China Initial Consideration and Non-Target China Initial Consideration are US$470,000,000, US$84,400,000 and US$205,500,000, respectively.

The formulae for (b) and (c) above will include customary adjustments as described below, with initial estimated cash payments to be made at closing, and which payments will subsequently be customarily "trued up" through delivery of closing statements to be prepared within 120 days after the Closing:

(i) the calculation of the cash amount payable by CRL for the adjustment of the shareholding in the Offeror, will be adjusted for the Target Net Working Capital Adjustment Amount and net debt (excluding operating lease liabilities and such other adjustment items as may be agreed by the Consortium Members and set out in the Transaction Agreement) of the Target Business (the "**Target Closing Net Debt**"), unpaid transaction expenses, the aggregate cash amount funded and paid by or on behalf of CRL and actually paid to the Offeree Shareholders or Option Holders under the Scheme, the Customer Advance Adjustment Amount, the separation costs and taxes specially allocated (excluding such amount of any such separation costs and taxes specially allocated and taxes in respect of the Separation Transaction that have been paid prior to the Closing by Hongkong Tigermed, Dr. Li, Dr. Li's Trusts, Frontage ACE or any of their respective affiliates (other than any Target Entity)), plus the cash returned to the Offeree in respect of unallocated Scheme Shares held by the trustee of the 2021 share award scheme of the Offeree, subject to other items to be agreed by the Consortium Members and set out in the Transaction Agreement; and

(ii) the calculation of the final shareholding percentages in the Offeror will be adjusted for net debt of the Non-Target Business in the PRC (the "**Non-Target China Closing Net Debt**") and outside the PRC (the "**Non-Target Non-China Closing Net Debt**").

Detailed formulae for (b) and (c) above are set out below:

The final shareholding percentages of Consortium Members in the Offeror after the Scheme becomes effective and upon completion of the adjustment of shareholding in the Offeror are determined as follows:

(i) the final shareholding percentage of CRL in the Offeror is determined by dividing the Target Final Equity Value by the Total Final Equity Value;

(ii) the final shareholding percentage of Dr. Li and Dr. Li's Trusts in the Offeror is determined by dividing Non-Target Non-China Final Equity Value by the Total Final Equity Value; and

(iii) the final shareholding percentage of Hongkong Tigermed in the Offeror is determined by dividing Non-Target China Final Equity Value by the Total Final Equity Value.

The cash payment to be made by CRL to Hongkong Tigermed and Dr. Li and Dr. Li's Trusts and/or Frontage ACE, as elected by Dr. Li, for the adjustment of the shareholding in the Offeror (the "**Cash Amount**") equates to the Target Initial Consideration less the aggregate amount of the Target Closing Net Debt, Target Net Working Capital Adjustment Amount, unpaid transaction expenses, the aggregate cash amount funded and paid by or on behalf of CRL and actually paid to the Offeree Shareholders or Option Holders under the Scheme, the Customer Advance Adjustment Amount, the separation costs and taxes specially allocated (excluding such amount of any such separation costs and taxes specially allocated and taxes in respect of the Separation Transaction that have been paid prior to the Closing by Hongkong Tigermed, Dr. Li and Dr. Li's Trusts, Frontage ACE or any of their respective affiliates (other than any Target Entity)), plus the cash returned to the Offeree in respect of unallocated Scheme Shares held by the trustee of the 2021 share award scheme of the Offeree, subject to other items to be agreed by the Consortium Members and set out in the Transaction Agreement.

The cash amount attributable to the adjustment of the shareholding of Dr. Li and Dr. Li's Trusts in the Offeror (the "**Chairman Purchase Cash Amount**") is determined by multiplying the Cash Amount, by a fraction, the numerator of which is the net change in the shareholding percentage of Dr. Li and Dr. Li's Trusts in the Offeror (being the final shareholding percentage of Dr. Li and Dr. Li's Trusts in the Offeror less their shareholding percentage in the Offeror as of the date of the Transaction Agreement (the "**Chairman Initial Shareholding**") and the denominator of which is the net change in the shareholding percentage of CRL in the Offeror (being the final shareholding percentage of CRL in the Offeror less its shareholding percentage in the Offeror as of the date of the Transaction Agreement) (the "**CRL Initial Shareholding**")).

If there is no net change in shareholding percentage of Dr. Li and Dr. Li's Trusts in the Offeror, the Chairman Purchase Cash Amount shall be zero.

If the Chairman Purchase Cash Amount is negative, CRL shall pay the estimated cash amount directly to Dr. Li and Dr. Li's Trusts and/or Frontage ACE, as elected by Dr. Li, and Hongkong Tigermed in the proportions set out in the Transaction Agreement, being, in the case of Dr. Li and Dr. Li's Trusts and/or Frontage ACE, as elected by Dr. Li, a percentage equal to the absolute value of the fraction described above and, in the case of Hongkong Tigermed, the balance.

If the Chairman Purchase Cash Amount is positive, Dr. Li and Dr. Li's Trusts and/or Frontage ACE, as elected by Dr. Li, shall pay the estimated Chairman Purchase Cash Amount directly to Hongkong Tigermed, and CRL shall pay the estimated cash amount to Hongkong Tigermed as set out in the Transaction Agreement.

(IV) Equity Transfer

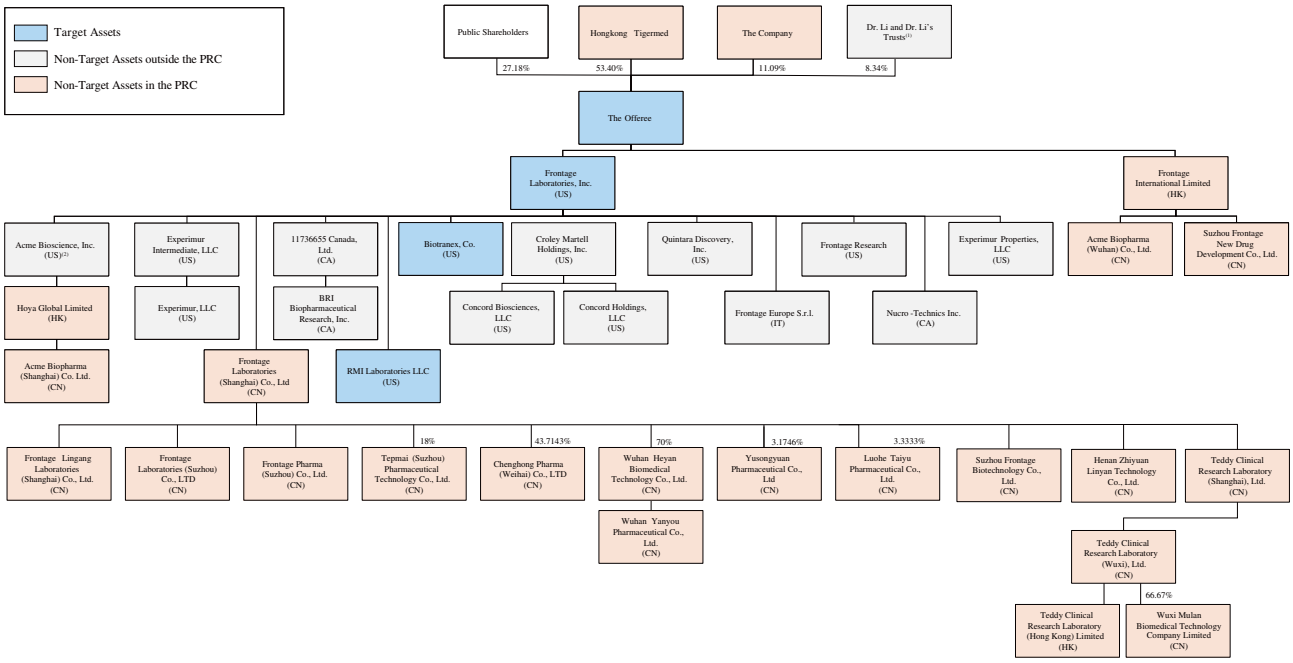
Following the consummation of the Adjustment of Ownership as set out above, the Consortium Members shall cause the Offeror to distribute 100% of its outstanding equity interests in Frontage Research to Frontage ACE, in complete redemption of all of the Offeror Shares held by Dr. Li, Dr. Li's Trusts and their affiliates, and distribute 100% of the outstanding equity interests of Frontage International Limited to Hongkong Tigermed in complete redemption of all the Offeror Shares held by Hongkong Tigermed.

Following the consummation of the Separation Transactions, (i) the Non-Target Assets and Non-Target Liabilities outside of the PRC (excluding Acme Bioscience, Inc.) will be held by Frontage Research or its subsidiaries, (ii) the Non-Target Assets and Non-Target Liabilities in the PRC and Acme Bioscience, Inc. will be held by Frontage International Limited or its subsidiaries, and (iii) the Target Assets and Target Liabilities will be held by Frontage Labs or its subsidiaries.

(V) Shareholding Structure of Offeree

Immediately upon the Closing, the Offeror and the Offeree will be owned as to 100% by CRL, and the Offeror and the Offeree Group (other than Frontage International Limited and its subsidiaries, which will become direct subsidiaries of Hongkong Tigermed) will cease to be subsidiaries of the Group. The completion of the Separation Transaction will therefore result in the deconsolidation of the assets and liabilities of the Offeror and the Offeree Group (other than Frontage International Limited and its subsidiaries) from the Group's consolidated accounts.

The chart below sets out the illustrative corporate structure of the Offeree as at the date of this announcement:



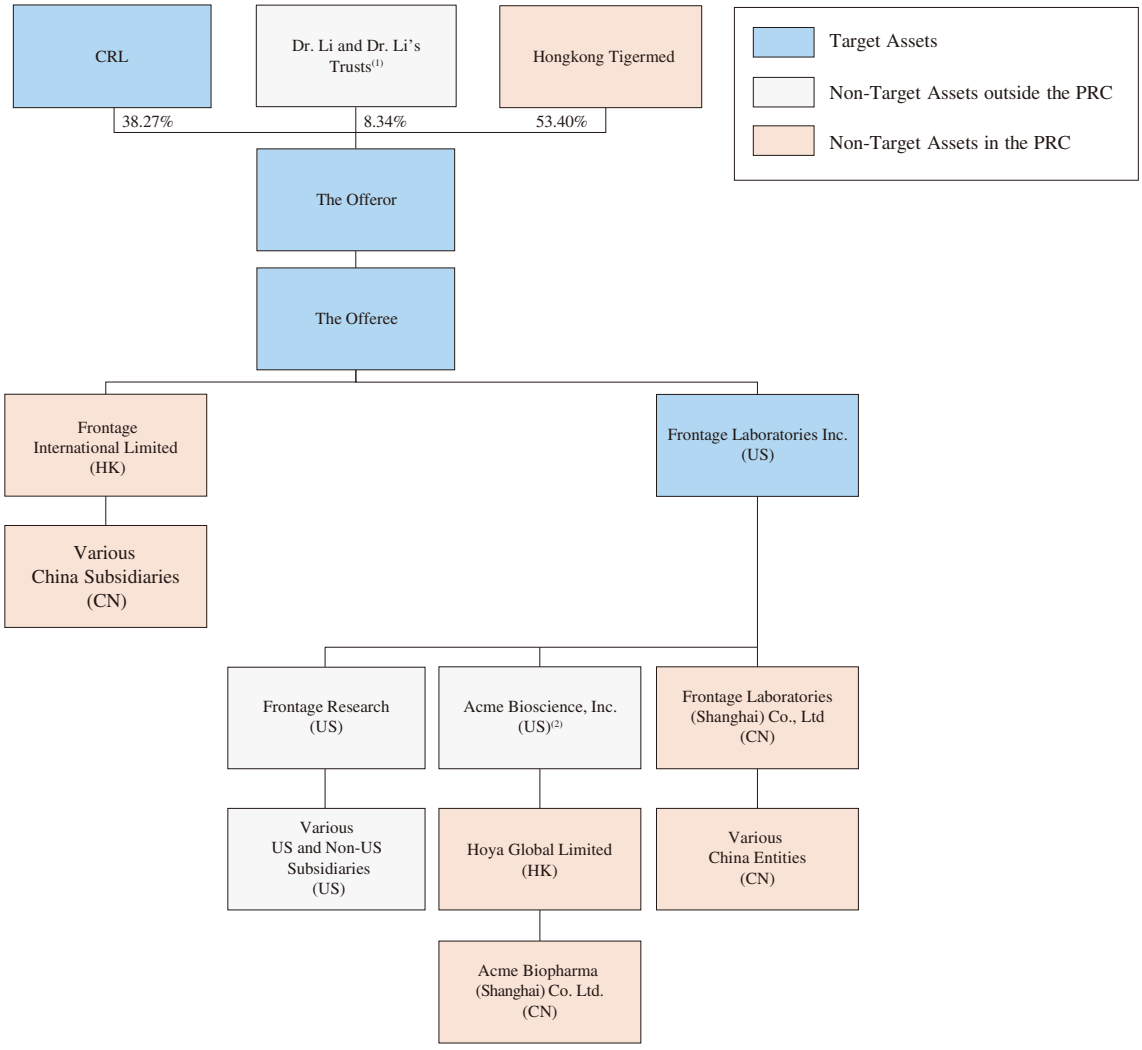
Note:

(1) Dr. Li is the grantor of Dr. Li's Trusts.

(2) Acme Bioscience, Inc. (US) will be wholly owned by Hongkong Tigermed upon completion of Separation Transaction.

(3) All entities in the above chart are 100%-owned as at the date of this announcement, unless a shareholding percentage is otherwise specified.

The chart below sets out the illustrative corporate structure of the Offeree immediately upon completion of the Proposal and before the completion of the Separation Transaction:



Note:

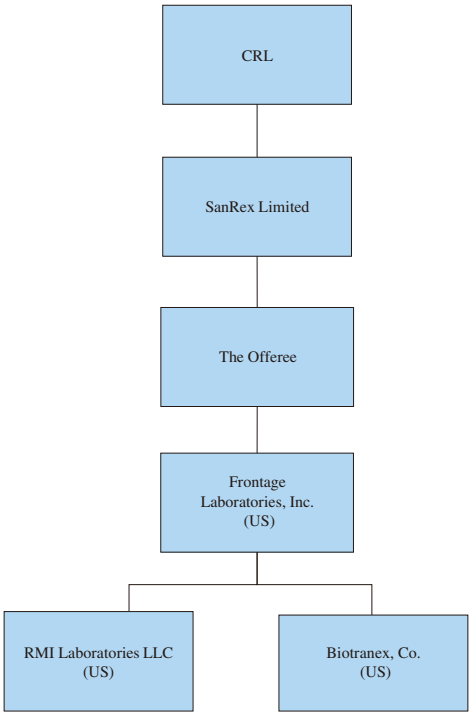
(1) Dr. Li is the grantor of Dr. Li's Trusts.

(2) Acme Bioscience, Inc. (US) will be wholly owned by Hongkong Tigermed upon completion of Separation Transaction.

(3) The above shareholding structure is based on the assumption that there has been no change in shareholding in the Offeree (including no Offeree Options were exercised) from the date of announcement and up to the completion of the Proposal and before the completion of the Separation Transaction.

(4) All entities in the above chart are 100%-owned, unless a shareholding percentage is otherwise specified.

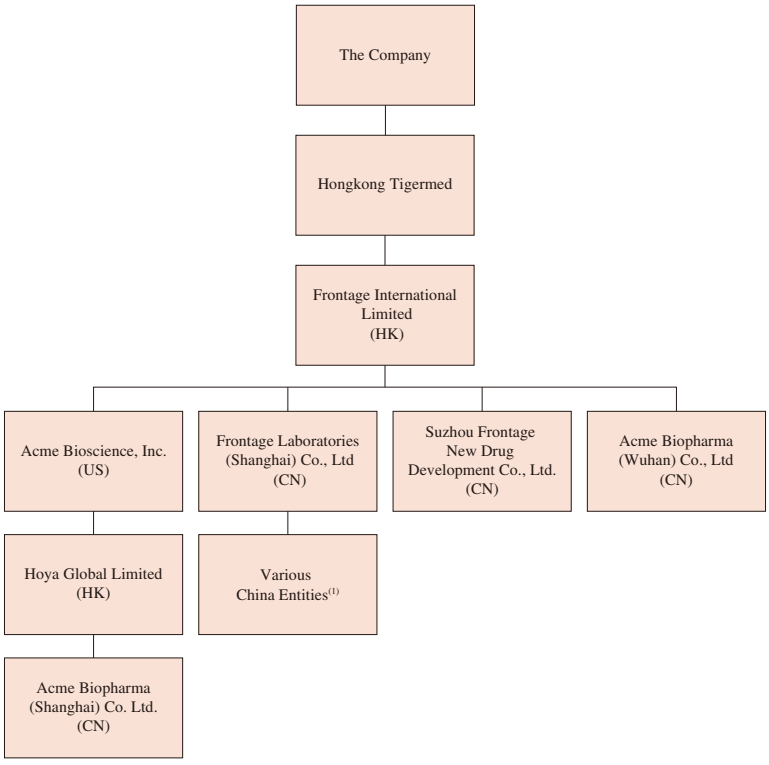
The chart below sets out the illustrative corporate structure of the Offeree immediately upon completion of the Separation Transaction:



Note:

(1) All entities in the above chart are 100%-owned, unless a shareholding percentage is otherwise specified.

The chart below sets out the illustrative corporate structure of the Non-Target PRC Assets immediately upon completion of the Separation Transaction:



Note:

(1) Please refer to the above chart setting out the illustrative shareholding structure of the Offeree as at the date of this announcement.

E. IRREVOCABLE UNDERTAKINGS

Irrevocable undertakings of Hongkong Tigermed, Dr. Li and Dr. Li's Trusts

On November 9, 2026, each of Hongkong Tigermed, Dr. Li and Dr. Li's Trusts has given an irrevocable undertaking in favour of the Offeror, pursuant to which he/it has irrevocably undertaken that:

(a) he/it will not vote at the Scheme Meeting but will otherwise permit the cancellation of the Hongkong Tigermed or Chairman Scheme Shares (as applicable) under the Scheme in consideration for crediting of the unpaid Offeror Shares held by Hongkong Tigermed, Dr. Li and Dr. Li's Trusts as being fully paid in the amount of the Cancellation Price of HK$2.370 per Offeror Share;

(b) to the extent permitted under the Takeovers Code, the Listing Rules and Applicable Laws, he/it will exercise (or procure the exercise of) all voting rights attached to the Scheme Shares held or owned by him/it to vote in favour of the resolutions which are necessary for and in relation to implementation of the Scheme proposed at the Offeree EGM (including the special resolution to (i) approve and give effect to any reduction of the share capital of the Offeree associated with the cancellation of the Scheme Shares; and (ii) contemporaneously therewith maintain the issued share capital of the Offeree at the amount immediately prior to the cancellation of the Scheme Shares by applying the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par such number of new Offeree Shares as is equal to the number of Scheme Shares cancelled for issuance to the Offeror), and that he/it shall be bound by, and take all actions necessary to implement the Scheme;

(c) to vote against any resolutions proposed at the Offeree EGM or any general, class or other meeting of the shareholders of the Offeree (other than the Scheme Meeting) which may restrict, prejudice, prevent, impede, delay, disrupt or otherwise preclude the implementation of the Proposal, or purports to approve or give effect to any alternative proposal;

(d) he/it will support the Scheme and provide such undertakings to the Grand Court (including an undertaking not to vote at the Scheme Meeting and to agree to be bound by the terms of the Scheme) as are appropriate and necessary for the Scheme to be sanctioned; and

(e) he/it will not, and/or (as applicable) shall use reasonable efforts to procure that none of their affiliates shall, on or before the Effective Date and other than in connection with the Scheme, (i) sell, transfer, charge, encumber, create or grant any option over or otherwise dispose of any interest in any of the Scheme Shares owned by him/it; or (ii) accept or give any undertaking to accept any other offer in respect of all or any of such Scheme Shares.

The Irrevocable Undertakings will be terminated when the Scheme lapses or is withdrawn, terminated, rescinded by the Offeror or is finally dismissed, finally refused or finally rejected by the Grand Court.

F. FINANCIAL EFFECT OF THE PROPOSAL AND THE SEPARATION TRANSACTION

Under the Proposal, the Group shall receive a cancellation consideration of HK$535,667,400 (equivalent to approximately RMB461.2 million) (before deducting applicable taxes and expenses) in cash for the cancellation of the Company Scheme Shares. Subject to certain adjustments, the Group will also receive further cash payments for the adjustment of shareholding in the Offeror after adjustments as detailed in the section headed "D. The Transaction Agreement and The Separation Transaction – (III) Adjustment of Ownership" above are made. For detailed calculation of such cash payments, please refer to the section headed "D. The Transaction Agreement and The Separation Transaction – (III) Adjustment of Ownership" above. For the avoidance of doubt, the foregoing consideration does not take into account or include any payment that may be made under the 2026 Earnout Payment and 2027 Earnout Payment, respectively.

Based on the terms of Transaction Agreement and the Company's preliminary estimates, the gain arising from the Proposal and the Separation Transaction (from the divestment of the Target Assets and the Non-Target Assets outside of the PRC (excluding Acme Bioscience, Inc.)) to be recognized by the Group in its consolidated income statement is expected to be not less than approximately RMB500 million (after elimination of intra-group transactions).

G. INTENDED USE OF PROCEEDS FROM THE PROPOSAL AND THE SEPARATION TRANSACTION

The Group intends to utilise (a) 60% of the proceeds for overseas business expansion and potential acquisition of suitable overseas clinical CRO and related targets; and (b) 20% for general corporate uses. Subject to obtaining the requisite approvals of the Board and/or the Shareholders (as applicable), the remaining 20% of the proceeds may, depending on the Board's further assessment of the Group's financial conditions and market conditions at the relevant time, be applied to fund any distribution of dividend or repurchase of shares of the Company to enhance Shareholders' return in the near term.

H. REASONS FOR AND PURPOSE OF THE CONSORTIUM AGREEMENT, THE IMPLEMENTATION AGREEMENT, THE TRANSACTION AGREEMENT, THE PROPOSAL AND THE SEPARATION TRANSACTION

The Directors (including the independent non-executive Directors) considered that although the transactions contemplated therein are not in the ordinary and usual course of business of the Group, the terms and conditions for such transactions, including the Proposal and the Separation Transaction, and any component thereof, are on normal commercial terms, fair and reasonable, and are in the interest of the Company and its Shareholders as a whole, after taking into account the following reasons:

Better focus on clinical CRO business

The Proposal, together with the subsequent Separation Transaction, presents an opportunity for the Company to divest its overseas laboratory services business which is of a different nature to the Company's core clinical CRO business. There is a multitude of differences between clinical CRO business and laboratory services business. For example, the clinical CRO business of the Company focuses on clinical operations, site management, regulatory affairs, data management and biometrics etc. and requires expertise in project management, medicine, local and global regulations and statistics etc., while the laboratory services business of the Offeree relies heavily on laboratory facilities and focuses on chemistry, biology, CMC, pre-clinical research (DMPK, safety and toxicology) and laboratory testing (bioanalytical and biologics, and central laboratory) etc. and requires expertise in chemistry and manufacturing etc.

Divesting the overseas laboratory services business allows the Company to have a substantially smaller scale of laboratory services business and allows the Company to better focus on its core clinical CRO business for better strategic planning, capital allocation, and operational improvement decisions.

Better focus on China market which is a leader and core contributor to global biopharmaceutical R&D and innovation

The growth opportunity, customer focus and expansion strategy in overseas markets are different from the Chinese market where the Company is headquartered and maintains its leadership position. The majority of the business operations and assets of Offeree are carried on or situated outside China, therefore involving operating cost and overseas operation and management requirements that are separate from the Company's core clinical CRO business. The Proposal, together with the subsequent Separation Transaction, will allow the Company to optimize its geographical focus by divesting its overseas laboratory business. This allows the Company to better focus on China, the second largest biopharmaceutical market globally. In addition, by consolidating the

business operations of the remaining laboratory services in China, the Company can centralize the management and streamline decision-making process, thereby improving cost and decision-making efficiency and operational focus, which is in line with the long-term strategic development goal of the Company.

Value creation for the Shareholders

The Company is expected to receive proceeds and record investment gains through the Proposal and the subsequent Separation Transaction of the Offeree. The gains on disposal of the overseas laboratory services business of the Offeree create value for the Shareholders. The opportunity to redeploy the proceeds to further develop the Company's core clinical CRO business and enhance the Company's shareholder return could create further value for the Shareholders.

None of the Directors (including the independent non-executive Directors) has a material interest in the Consortium Agreement, the Implementation Agreement, the Transaction Agreement, the Proposal and the Separation Transaction, and none of the Directors has abstained from voting on the relevant resolutions of the Board.

I. HONG KONG LISTING RULES IMPLICATIONS

The Consortium Agreement, the Transaction Agreement, the Proposal, the Separation Transaction and the transactions contemplated thereunder involve the following components, of which the implications under the applicable Hong Kong Listing Rules are set out below:

(I) Connected transactions

Dr. Li is the chairman of the Offeree Board, a director of the Offeree and various subsidiaries of the Offeree, and the chief executive officer of Frontage Labs and hence a connected person of the Company at the subsidiary level. Accordingly, each of (i) the incorporation of the Offeror by Hongkong Tigermed with, amongst others, Dr. Li and Dr. Li's Trusts; (ii) the entering into the Consortium Agreement and the Transaction Agreement; (iii) the cancellation of the Chairman Scheme Shares in consideration for the crediting of the unpaid Offeror Shares held by Dr. Li and Dr. Li's Trusts under the Proposal; (iv) the Option Offer (in respect of the 7,600,000 Offeree Share Options held by Dr. Li and the irrevocable undertakings of Dr. Li to accept the Option Offer in respect of the 7,600,000 Offeree Share Options held by him); (v) the Adjustment of Ownership involving Dr. Li and Dr. Li's Trusts; and (vi) the transfer of equity Interest in Frontage Research to Frontage ACE, pursuant to the terms of the Consortium Agreement, the Transaction Agreement and the Implementation Agreement in respect of the Proposal and the Separation Transaction constitutes a connected transaction with a connected person at the subsidiary level.

Pursuant to Rule 14A.76(1)(a), as all the percentage ratios in respect of the incorporation of the Offeror by Hongkong Tigermed with, amongst others, Dr. Li and Dr. Li's Trusts, are less than 0.1% and the incorporation of the Offeror is conducted on normal commercial terms or better, the incorporation of the Offeror is fully exempt from shareholders' approval, annual review and all disclosure requirements. Pursuant to Rule 14A.101 of the Hong Kong Listing Rules, as (i) the Board has approved the Consortium Agreement, the Transaction Agreement, the Proposal, the Separation Transaction and the transactions contemplated thereunder, including but not limited to (a) the entering into the Consortium Agreement in respect of the Offeror in which Dr. Li is also a shareholder, (b) the cancellation of the Chairman Scheme Share in consideration for crediting of the unpaid Offeror Shares held by Dr. Li and Dr. Li's Trusts; (c) the Option Offer (in respect of Offeree Share Options held by Dr. Li); (d) the Adjustment of Ownership involving Dr. Li and (e) transfer of equity interest of Frontage Research to Frontage ACE; and (ii) the independent non-executive Directors have confirmed that the terms of the Consortium Agreement, the Transaction Agreement, the Proposal, the Separation Transaction and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms or better and in the interests of the Company and its Shareholders as a whole, each of the aforesaid transactions is only subject to the reporting and announcement requirements, and is exempt from the circular, independent financial advice and Shareholders' approval requirements under Rule 14A.101 of Hong Kong Listing Rules.

(II) Notifiable transactions

(a) Notifiable transaction with respect to the Proposal

The Offeror's proposal to effect the Scheme will result in, among other things, the effective disposal of the Company Scheme Shares. As none of the applicable percentage ratios (as defined under Rule 14.07 of the Hong Kong Listing Rules) in respect of the disposal of the Company Scheme Shares held by the Company is more than 5%, the disposal of the Company Scheme Shares as a result of the Proposal to effect the Scheme does not constitute a discloseable transaction of the Company.

As more than one of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the cancellation of Hongkong Tigermed Scheme Shares in consideration for the Hongkong Tigermed Cancellation Consideration, being the crediting of the unpaid Offeror Shares held by Hongkong Tigermed as being fully paid in the amount of the Cancellation Price of HK$2.370 per Offeror Share are more than 5% but all are less than 25%, the cancellation of Hongkong Tigermed Scheme Shares in consideration for the Hongkong Tigermed Cancellation Consideration, being the crediting of the unpaid Offeror Shares held by Hongkong Tigermed

as being fully paid in the amount of the Cancellation Price of HK$2.370 per Offeror Share constitutes a discloseable transaction of the Company and is therefore subject to the notification and announcement requirements, but exempt from the circular and shareholders' approval requirements, under Chapter 14 of the Listing Rules.

(b) Notifiable transaction with respect to the Separation Transaction

As disclosed in this announcement, subject to the Scheme becoming effective, the transfer of equity interest in Frontage International Limited from the Offeror to Hongkong Tigermed in consideration for the redemption of the equity interests held by Hongkong Tigermed in the Offeror as the last step of Separation Transaction will result in each of the Offeror and the Offeree ceasing to be a subsidiary of the Company and the acquisition of Frontage International Limited by Hongkong Tigermed as direct wholly owned subsidiary. Effectively, the Separation Transaction will result in the disposal of the Offeree Group other than Frontage International Limited (and its subsidiaries) by the Group.

As more than one of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Equity Transfer and complete redemption by the Offeror of all the Offeror Shares held by Hongkong Tigermed (and the resulting deconsolidation of the assets and liabilities of the Offeree Group from the Group's consolidated accounts, after taking into account the retention of Frontage International Limited and its subsidiaries by the Group) are more than 5% but all are less than 25%, the Equity Transfer and complete redemption by the Offeror of all the Offeror Shares held by Hongkong Tigermed (and the resulting deconsolidation of the assets and liabilities of the Offeree Group from the Group's consolidated accounts, after taking into account the retention of Frontage International Limited and its subsidiaries by the Group) constitute a discloseable transaction of the Company and are therefore subject to the notification and announcement requirements, but exempt from the circular and shareholders' approval requirements, under Chapter 14 of the Listing Rules.

J. SZSE LISTING RULES IMPLICATIONS

According to the SZSE Listing Rules, for a transaction from which profit is generated accounting for more than 50% of the audited net profit of the listed company for its most recent accounting year and with an absolute amount exceeding RMB5 million, it shall also be submitted to the general meeting for consideration after being considered and approved by the board of directors. Since profit generated from the transaction contemplated under the Consortium Agreement, the Transaction Agreement, the Proposal and the Separation Transaction will account for more than 50% of the audited net profit of the Company for its most recent accounting year and will have an absolute amount exceeding RMB5 million, transactions contemplated under the Consortium Agreement, the Transaction Agreement, the Proposal and the Separation Transaction shall be approved at the general meeting of the Company by Shareholders holding more than one-half of the voting rights represented by shareholders present and entitled to vote at such meeting.

K. TIGERMED EGM

The Company will convene the Tigermed EGM to consider and, if thought fit, approve the Consortium Agreement, the Transaction Agreement, the Proposal and the Separation Transaction. A circular containing details of the above resolutions and a notice of the Tigermed EGM will be dispatched to the Shareholders.

On November 9, 2026, each of Dr. Ye Xiaoping and Ms. Cao Xiaochun (each a shareholder of Tigermed, and are interested in an aggregate of 228,553,715 A Shares as at November 9, 2026, together with any shares of the Company acquired by such shareholder of Tigermed in the Relevant Period (as defined below), collectively the "**Undertaking Tigermed Shareholders**") has given an irrevocable undertaking to CRL, pursuant to which he/she has irrevocably undertaken that he/she will vote in favor of each resolution relating to the Proposal and Separation Transaction, will not vote against or abstain from voting on any such resolution and will vote against any resolution that may restrict or hinder the implementation of the Proposal or Separation Transaction, at the general meeting(s) (or any of its postponed or reconvened meeting) of Tigermed relating to the Proposal and Separation Transaction.

The irrevocable undertakings given by the Undertaking Tigermed Shareholders are effective from their respective dates of execution and will terminate on the earlier of the date of the general meeting(s) of the Shareholders for considering the Proposal and Separation Transaction or the date of termination of the transactions contemplated under the Proposal and Separation Transaction (the "**Relevant Period**").

L. INFORMATION OF THE PARTIES

(I) The Company

The Company is a leading China-based provider of comprehensive biopharmaceutical research and development services, with an expanding global presence and is principally engaged in the provision of one-stop and professional clinical research services for innovative drugs, medical devices and biotechnology related products to domestic and international enterprises engaged in providing innovative drugs and medical devices. The A shares of the Company are listed on the Shenzhen Stock Exchange (stock code: 300347) and the H shares of the Company are listed on the Hong Kong Stock Exchange (stock code: 3347).

Through Hongkong Tigermed, Tigermed acquired the controlling stake in the Offeree in 2014 through investments in Frontage Labs upon obtaining the requisite internal approvals, filing with and approval from the relevant authorities, including the China Securities Regulatory Commission, the National Development and Reform Commission of the Zhejiang Province, Department of Commerce of the Zhejiang Province, the State Administration of Foreign Exchange of the Zhejiang Province.

(II) Hongkong Tigermed

Hongkong Tigermed is a company incorporated under the laws of Hong Kong and a wholly-owned subsidiary of the Company.

(III) CRL

CRL is a company incorporated under the laws of Delaware, the common stock of which is listed on the New York Stock Exchange (ticker: CRL). CRL provides essential products and services to help pharmaceutical and biotechnology companies, government agencies and leading academic institutions around the globe accelerate their research and drug development efforts. CRL's dedicated employees are focused on providing clients with exactly what they need to improve and expedite the discovery, early-stage development and safe manufacture of new therapies for the patients who need them.

To the best of the Directors' knowledge, information, and belief, having made all reasonable enquiries, as of this announcement, save as to their interest in the Offeror, CRL is an Independent Third Party.

(IV) Dr. Li

Dr. Li is the chairman of the Offeree Board and various subsidiaries of the Offeree, hence a director of subsidiaries of the Group. In 2001, he founded Frontage Labs and has been the chief executive officer of Frontage Labs ever since and remains a driving force behind the Offeree Group's strategic, technical and commercial success. His visionary leadership of Frontage Labs has earned him widespread respect in the industry and within the Offeree Group. Prior to joining the Offeree Group, Dr. Li held management positions at Great Valley Pharmaceuticals and Wyeth. During that period of time, he led numerous projects related to the development of pharmaceutical products. Dr. Li was formerly a director in the second session and the third session of the board of directors of Tigermed from August 2014 to April 2018. Dr. Li has authored more than 15 scientific publications spanning a wide range of topics, including chiral separations, drug-protein interactions, pharmacokinetics, and analytical chemistry. Dr. Li has been the recipient of numerous awards, most recently the Healthcare CEO award from Philadelphia Alliance for Capital and Technologies, the Ernst & Young Entrepreneur of the Year Award, the "Realizing the American Dream" award from the Pennsylvania Welcoming Society, and the Outstanding 50 Asian Americans in Business Award from the Asian American Business Development Center.

Dr. Li and Dr. Li's Trusts are interested in approximately 8.34% of the issued Offeree Shares and 7,600,000 Offeree Share Options. Save as to his interest in the Offeror and his aforesaid relationship with the Offeree Group, Dr. Li is not otherwise connected with the Company which would render him a connected person of the Company at issuer level. Dr. Li is therefore a connected person of the Company at the subsidiary level in accordance with Rule 14A.07 of the Hong Kong Listing Rules.

As disclosed in the section headed "History, Reorganisation and Corporate Structure" in the prospectus of Offeree dated May 17, 2019, the Offeree effected a share exchange and merger which took effect on April 17, 2018 and which resulted in Frontage Labs becoming a wholly-owned subsidiary of the Offeree. In the share exchange, Hongkong Tigermed, Dr. Li and Dr. Li's Trusts transferred their shares in Frontage Labs to the Offeree in exchange for the issue of the equivalent number of shares in the Offeree. For details, see the section headed "History, Reorganisation and Corporate Structure" in the prospectus of the Offeree dated May 17, 2019.

(V) The Offeror

The Offeror is a company incorporated on August 12, 2026 in the Cayman Islands with limited liability and an investment holding company set up solely for the purpose of implementing the Proposal.

As at the date of this announcement, the Offeror is owned as to 38.27%, 53.40%, 1.63%, 2.24%, 2.24% and 2.24% by CRL, Hongkong Tigermed, Dr. Li, The Linna Li GST Exempt Trust, The Wendy Li GST Exempt Trust and The Yue Monica Li GST Exempt Trust, respectively.

(VI) The Offeree

Frontage Holdings Corporation is an exempt company incorporated in the Cayman Islands with limited liability. Following a spin-off from the Company that was approved by the then Shareholders in 2018, the Offeree Shares have been listed on the Main Board of the Hong Kong Stock Exchange (stock code: 1521) since May 30, 2019. The Offeree Group is engaged in the provision of research, analytical and development services throughout the product discovery and development continuum. The Offeree Group provides integrated, scientifically driven support that enables biopharmaceutical and life science companies to achieve their product development goals. Operating in North America, China and Italy, the Offeree Group provides a comprehensive portfolio of product discovery and development services including chemistry, biology, CMC, pre-clinical research (DMPK, safety and toxicology), laboratory testing (bioanalytical and biologics, and central laboratory) and phase 1 clinical trials. In addition, in China, the Offeree Group also provides a suite of bioequivalence and related services (such as pharmacology, medical writing and regulatory support) to support the Offeree Group's customers with their regulatory submissions.

Set out below is the financial information of the Offeree for the two years ended December 31, 2024 and 2025 and the six months ended June 30, 2026:

	For the year ended December 31, 2024 *USD'000* (audited)	**For the year ended December 31, 2025** *USD'000* (audited)	**For the six months ended June 30, 2026** *USD'000* (unaudited)
Net profit before tax	2,744	11,587	9,460
Net profit after tax	619	6,762	6,788
	As at December 31, 2024 *USD'000* (audited)	**As at December 31, 2025** *USD'000* (audited)	**As at June 30, 2026** *USD'000* (unaudited)
Total assets	553,593	541,024	580,474
Net assets	334,269	348,046	356,226

Based on the Cancellation Price of HK$2.370 per Scheme Share and 2,038,538,910 issued Offeree Shares, the equity value of Offeree is HK$4,831.3 million (equivalent to approximately RMB4,159.6 million).

The transactions contemplated under the Consortium Agreement, the Transaction Agreement, the Proposal and the Separation Transaction are subject to the fulfillment of certain Pre-conditions and Conditions precedent set out in the Consortium Agreement and the Transaction Agreement and may or may not proceed. Shareholders and potential investors of the Company, the Offeror or the Offeree are advised to exercise caution when dealing in the securities of the Company, the Offeror or the Offeree.

DEFINITIONS

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

"2015 Offeree Share Incentive Plan"	:	the pre-IPO share incentive plan adopted by Frontage Labs in 2015 and assumed by Offeree on April 17, 2018
"2018 Offeree Share Incentive Plan"	:	the post-IPO share incentive plan adopted by Offeree on May 11, 2019
"2026 Earnout Payment"	:	has the meaning ascribed to it in the section headed "B. The Incorporation of The Offeror, The Consortium Agreement, The Proposal and The Earnout Arrangement – (III) Earnout Arrangement" above
"2027 Earnout Payment"	:	has the meaning ascribed to it in the section headed "B. The Incorporation of The Offeror, The Consortium Agreement, The Proposal and The Earnout Arrangement – (III) Earnout Arrangement" above
"A Shares"	:	the ordinary share(s) issued by the Company and subscribed for in RMB, which are listed on the SZSE
"acting in concert"	:	has the meaning ascribed to it in the Takeovers Code, and "persons acting in concert" shall be construed accordingly
"Adjusted EBITDA"	:	net income of the Target Business derived from the Earnout Financial Statements, excluding (if and to the extent deducted (or included) in the calculation of net income (or loss) for the respective year, (1) interest expense or interest income, (2) income taxes (including income tax refunds, but not including non-income related taxes such as VAT, property taxes, and any similar non income related taxes), and (3) depreciation and amortization.

Such EBITDA will be (i) increased by, without duplication, to the extent the same was deducted in calculating net income and (ii) reduced by, without duplication, to the extent the same was included in calculating net income: (A) rent expenses associated with operating leases, whether accounted for under FASB Accounting Standards Codification Topic 842, or International Financial Reporting Standard 16, in each case solely to the extent such expenses have not otherwise been excluded in calculating EBITDA pursuant to clauses (1) through (3) above, (B) gains/losses attributable to the early extinguishment of indebtedness or derivative instruments, (C) any profits or gains/losses of a capital nature (including, for the avoidance of doubt, those arising from any sale and leaseback arrangements or from the sale, disposal or scrapping of any fixed asset), (D) any profits or gains/losses arising from an upward revaluation of any assets, (E) any profits or income/loss in respect of fair value adjustments recorded in respect of any financial instruments of the Target Business, (F) any profits or gains/losses arising in respect of any acquisition accounting, including for the avoidance of doubt any charges related to fair value adjustments or any other opening balance sheet adjustments in respect of the transaction contemplated by the Consortium Agreement, (G) any profits or gains/losses in respect of the cumulative effect of a change in accounting principles during such period, (H) any profits or gains/losses that are unusual in nature, are not expected to recur in the foreseeable future, or do not relate to the normal course of business, (I) any income or gains/losses from disposed (or disposal of), abandoned, transferred, closed or discontinued operations, company, brand, or business, (J) any gains attributable to payments received from any policies of insurance unless the underlying loss for which insurance payments were received is included in EBITDA (such as payments received under the R&W insurance policy), and (K) any realized or unrealized profits or gains/losses arising from foreign currency exchange generated in relation to any activity which is not normally carried on by, or which is outside the ordinary course of business of, the Target Business as at Closing. In addition, EBITDA will be reduced by the (L) cash rent, which will be the aggregate amount of fixed and variable rental payments payable by the Target Business during such period pursuant to their respective real property lease agreements, including base rent, additional rent and other recurring occupancy-related charges payable to landlords; and "Adjusted EBITDA Margin" means Adjusted EBITDA divided by the revenue of the Target Business for the relevant year

"Applicable Laws"	:	with respect to any person, any laws, rules, regulations, guidelines, directives, treaties, judgments, decrees, orders or notices of any Authority that is applicable to such person
"Approvals"	:	authorization, registrations, filings, rulings, licences, approvals, permits, consents, permissions, clearances and registrations required by any Authority
"associate(s)"	:	has the meaning ascribed to it under the Hong Kong Listing Rules
"Authorit(ies)"	:	any relevant government, governmental, quasi-governmental, statutory, administrative or regulatory body, or court, tribunal, arbitrator or governmental agency or authority or department (including any relevant securities exchange) and whether supranational, national, regional or local
"Board"	:	the board of Directors of the Company
"Cancellation Price"	:	the cancellation price of HK$2.370 per Scheme Share
"Chairman Cancellation Consideration"	:	the consideration to be received by Dr. Li and Dr. Li's Trusts for the cancellation of the Chairman Scheme Shares under the Scheme, being the crediting of all of the unpaid Offeror Shares held by Dr. Li and Dr. Li's Trusts as being fully paid in the amount of the Cancellation Price of HK$2.370 per Offeror Share
"Chairman Scheme Shares"	:	Scheme Shares held by Dr. Li and Dr. Li's Trusts
"CICC"	:	China International Capital Corporation Hong Kong Securities Limited, a licensed corporation under the SFO, licensed to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) regulated activities under the SFO, as one of the Joint Financial Advisers to the Offeror in respect of the Proposal
"Commission" or "SFC"	:	the Securities and Futures Commission of Hong Kong
"Companies Act"	:	the Companies Act (As Revised) of the Cayman Islands

"Company"	:	Hangzhou Tigermed Consulting Co., Ltd. (杭州泰格醫藥科技股份有限公司), a company established under the laws of the People's Republic of China, 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: 3347)
"Company Scheme Shares"	:	Scheme Shares directly held by the Company
"connected person(s)"	:	has the meaning ascribed to it under the Hong Kong Listing Rules
"connected person(s) at the subsidiary level"	:	has the meaning ascribed to it under the Hong Kong Listing Rules
"Condition(s)"	:	the condition(s) to the Proposal as set out in the section headed "B. The Incorporation of The Offeror, The Consortium Agreement, The Proposal and The Earnout Arrangement – (IV) Conditions to the Proposal and the Scheme" above
"Conditions Long Stop Date"	:	June 30, 2027 (or any other date as may be agreed by the Offeror and Offeree and as permitted by the Executive and/or as directed by the Grand Court)
"Consortium Agreement"	:	the consortium agreement dated November 9, 2026 entered into between the Consortium Members in connection with the Proposal, the key terms of which are further described in the section headed "B. The Incorporation of The Offeror, The Consortium Agreement, The Proposal and The Earnout Arrangement – (I) Consortium Agreement" above
"Consortium Members"	:	CRL, Hongkong Tigermed and Dr. Li, and each of CRL, Hongkong Tigermed and Dr. Li may be referred to as a "**Consortium Member**"
"CRL"	:	Charles River Laboratories International, Inc., a company incorporated under the laws of Delaware, the common stock of which is listed on New York Stock Exchange (ticker: CRL)
"CRO"	:	Contract Research Organisation, an organization focused on providing research and development services to companies in the pharmaceutical and agrochemical markets

"Customer Advance Adjustment Amount"	:	54% of Deferred Revenue
"Deferred Revenue"	:	as of 11:59 p.m. local time in Hong Kong on the day immediately preceding the Closing, without duplication, the aggregate outstanding balance of customer prepayments, deposits and advances relating to the Target Business, whether refundable or non-refundable, determined in accordance with the accounting policies set out in the Transaction Agreement and confirmed by the parties to the Transaction Agreement
"Despatch Date"	:	the date of despatch of the Scheme Document
"Director(s)"	:	the director(s) of the Company
"Disinterested Offeree Shareholders"	:	all of the Scheme Shareholders, excluding the Offeror, the Consortium Members, and any Scheme Shareholders acting in concert with any of them, but including the members of the J.P. Morgan group and the CICC group acting in the capacity of an exempt principal trader or exempt fund manager for the purpose of the Takeovers Code, provided that the Offeree Shares held by members of the J.P. Morgan group and CICC group acting in the capacity of exempt principal traders will not be voted on the Scheme at the Scheme Meeting unless the Executive allows such Offeree Shares to be so voted
"Dr. Li"	:	Dr. Song Li, the chairman of the board of directors of Offeree
"Dr. Li's Trusts"	:	The Joint Trust of Song Li and Lei Wang f/b/o Linna Li dated December 22, 2025 (The Linna Li GST Exempt Trust), the Joint Trust of Song Li and Lei Wang f/b/o Wendy Li dated December 22, 2025 (The Wendy Li GST Exempt Trust) and the Joint Trust of Song Li and Lei Wang f/b/o Yue Monica Li dated December 22, 2025 (The Yue Monica Li GST Exempt Trust), in which Dr. Li is the grantor
"Earnout Arrangement"	:	the earnout arrangement in respect of the 2026 Earnout Payment and the 2027 Earnout Payment, further details of which are further described in the section headed "B. The Incorporation of The Offeror, The Consortium Agreement, The Proposal and The Earnout Arrangement – (III) Earnout Arrangement" above

"Earnout Financial Statements"	:	Statement of income of the Target Business for the years ending December 31, 2026 and 2027, prepared in accordance with the recognition and measurement principles of (i) International Financial Reporting Standards as issued by the International Accounting Standards Board ("**IFRS**") for the year ending December 31, 2026, and, solely to the extent consistent with IFRS, using the accounting methods, policies, practices, procedures and categorizations applied in the preparation of the financial information of the relevant business unit as of and for the year ended December 31, 2025, and (ii) US GAAP for the year ending December 31, 2027, in each case excluding any requirement to provide accompanying notes or other disclosures, balance sheets, statements of cash flows or statements of changes in stockholders' equity
"EBITDA"	:	earnings before interest, taxes, depreciation and amortisation
"Effective Date"	:	the date on which the Scheme becomes effective in accordance with the Companies Act and the Conditions
"Executive"	:	the Executive Director of the Corporate Finance Division of the SFC of Hong Kong or any delegate of the Executive Director
"exempt fund managers"	:	has the meaning ascribed to it in the Takeovers Code
"exempt principal traders"	:	has the meaning ascribed to it in the Takeovers Code
"Extended Conditions Long Stop Date"	:	a date to be mutually agreed in writing between the Offeror and Offeree and in compliance with all applicable rules and regulations to extend the Conditions Long Stop Date (as applicable), if any of the Conditions is not fulfilled by 6:00 p.m. (Hong Kong time) on the Conditions Long Stop Date and subject to the permission from the Executive and/or direction by the Grand Court (if applicable)
"Extended Pre-Conditions Long Stop Date"	:	a date to be mutually agreed in writing between the Offeror and the Offeree and in compliance with all applicable rules and regulations to extend the Pre-Conditions Long Stop Date (as applicable), if any of the Pre-Conditions is not fulfilled by 6:00 p.m. (Hong Kong time) on the Pre-Conditions Long Stop Date

"Frontage ACE"	:	Frontage ACE LLC, a limited liability company incorporated under the laws of Delaware, United States and wholly-owned by Dr. Li as at the date of this announcement
"Frontage International Limited"	:	Frontage International Limited, a company incorporated under the laws of Hong Kong and a wholly owned subsidiary of the Offeree as at the date of this announcement, and will be wholly owned by Hongkong Tigermed after completion of the Separation Transaction
"Frontage Labs"	:	Frontage Laboratories, Inc., a company incorporated under the laws of Pennsylvania, United States and a wholly-owned subsidiary of the Offeree as at the date of this announcement, and will be indirectly wholly owned by CRL after completion of the Separation Transaction
"Frontage Research"	:	Frontage Research, Inc., a corporation incorporated under the laws of Delaware, United States and a wholly-owned subsidiary of the Offeree as at the date of this announcement, which will be owning the Non-Target Business outside of the PRC (excluding Acme Bioscience, Inc.) and be wholly owned by Frontage ACE after the completion of the Separation Transaction
"Grand Court"	:	the Grand Court of the Cayman Islands
"Group"	:	the Company and its subsidiaries
"H Shares"	:	the overseas listed foreign invested share(s) of nominal value of RMB1.00 each in the share capital of the Company which are listed on the Main Board of the Hong Kong Stock Exchange and subscribed for and traded in HK$
"HK$"	:	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	:	the Hong Kong Special Administrative Region of the People's Republic of China
"Hongkong Tigermed"	:	Hongkong Tigermed Co., Limited (香港泰格醫藥科技有限公司), a company incorporated under the laws of Hong Kong on September 14, 2011 and a wholly-owned subsidiary of the Company

"Hongkong Tigermed Cancellation Consideration"	:	the consideration to be received by Hongkong Tigermed for the cancellation of the Hongkong Tigermed Scheme Shares under the Scheme, being the crediting of all of the unpaid Offeror Shares held by Hongkong Tigermed as being fully paid in the amount of the Cancellation Price of HK$2.370 per Offeror Share
"Hongkong Tigermed Scheme Shares"	:	Scheme Shares directly held by Hongkong Tigermed
"Implementation Agreement"	:	the agreement entered into between the Offeror and Offeree on November 9, 2026 pursuant to which the parties have agreed to pursue the Proposal, the key terms of which are further described in the section headed "C. Implementation Agreement" above
"Irrevocable Undertaking"	:	the irrevocable undertakings given by Hongkong Tigermed, Dr. Li and Dr. Li's Trusts in favour of the Offeror on November 9, 2026 in respect of an aggregate of 1,258,425,410 Offeree Shares, details of which are set out in the section headed "E. Irrevocable Undertakings" above
"J.P. Morgan"	:	J.P. Morgan Securities (Asia Pacific) Limited, a registered institution under the SFO, licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 7 (providing automated trading services) regulated activities under the SFO, as one of the Joint Financial Advisers to the Offeror in respect of the Proposal
"Joint Financial Advisers"	:	J.P. Morgan and CICC
"Last Trading Date"	:	October 21, 2026, being the last day on which Offeree Shares were traded on the Stock Exchange prior to the publication of the Rule 3.5 announcement
"Listing Rules"	:	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

"Non-Target Assets"	:	all assets directly or indirectly owned by the Offeree and its subsidiaries other than any assets constituting Target Assets, including the following: (a) certain assets specifically identified by the parties as such; (b) shares of capital stock of or any other equity or ownership interests in the subsidiaries of Offeree other than the Target Entities, including the Non-Target Entities; (c) the cash and cash equivalents attributable to the Non-Target Business; (d) the Offeree Trademarks and the FrontageLab.com domain name, to be jointly owned by Frontage Research and Frontage International Limited in accordance with the Transaction Agreement; and (e) any and all other assets that are expressly allocated to Hongkong Tigermed or Frontage Research, as applicable, or any other member of their respective group pursuant to the Transaction Agreement, or certain other agreements to be entered into by any members of the group of Consortium Members in connection with the Separation Transaction
"Non-Target Business"	:	the businesses and operations of the Offeree and its subsidiaries other than the Target Business, including those of the Non-Target Entities
"Non-Target China Final Equity Value"	:	Non-Target China Initial Consideration less Non-Target China Closing Net Debt
"Non-Target China Initial Consideration"	:	initial consideration attributable to the Non-Target Business in the PRC as agreed among the Consortium Members in the Transaction Agreement, being US$205,500,000
"Non-Target Entities"	:	Frontage Research, Frontage International Limited, and the subsidiaries listed on the Schedules II and III of the Transaction Agreement

"Non-Target Liabilities"	:	all liabilities of the Offeree Group other than the Target Liabilities, in each case, regardless of (a) when or where such liabilities arose or arise (whether arising prior to, at or after the Effective Date), (b) where or against whom such liabilities are asserted or determined; (c) regardless of whether arising from or alleged to arise from negligence, gross negligence, recklessness, violation of law, fraud or misrepresentation by the Offeree or its subsidiaries, as the case may be, or any of their past or present respective directors, officers, employees, agents, or affiliates; and (d) which entity is named in any proceeding associated with any liability
"Non-Target Non-China Final Equity Value"	:	Non-Target Non-China Initial Consideration less Non-Target Non-China Closing Net Debt, plus the Customer Advance Adjustment Amount
"Non-Target Non-China Initial Consideration"	:	initial consideration attributable to the Non-Target Business outside the PRC as agreed among the Consortium Members in the Transaction Agreement, being US$84,400,000
"Offeree"	:	Frontage Holdings Corporation, an exempted company incorporated in the Cayman Islands with limited liability, the Offeree Shares of which are currently listed on the Main Board of the Stock Exchange (stock code: 1521)
"Offeree Board"	:	the board of the Offeree Directors
"Offeree Director(s)"	:	the directors of the Offeree
"Offeree Group"	:	Offeree and its subsidiaries
"Offeree EGM"	:	an extraordinary general meeting of Offeree to be convened for the purposes of considering and, if thought fit, approving among other things, passing all resolutions necessary for the implementation of the Proposal or any adjournment or postponement thereof
"Offeree Trademarks"	:	all trademarks, service marks, trade names, logos and other source identifiers owned by Offeree or any of its subsidiaries immediately before the Closing that contain "Frontage" or are identified as Offeree Trademarks in Schedule 1 to that certain Trademark Assignment Agreement to be entered into by each owner of such aforementioned marks, Frontage Research and Frontage International Limited, together with the related registrations and applications

"Offeror"	:	SanRex Limited, an exempted company incorporated in the Cayman Islands with limited liability, which is held as to 38.27%, 53.40%, 1.63%, 2.24%, 2.24% and 2.24% by CRL, Hongkong Tigermed, Dr. Li, The Linna Li GST Exempt Trust, The Wendy Li GST Exempt Trust and The Yue Monica Li GST Exempt Trust, respectively, as at the date of this announcement, and will be wholly owned by CRL upon completion of the Separation Transaction
"Offeror Shares"	:	the ordinary share(s) of US$0.00001 each in the issued share capital of the Offeror
"Option Holder(s)"	:	the holder(s) of the Offeree Share Option(s)
"Option Offer"	:	the offer to be made by or on behalf of the Offeror to the Option Holders in relation to the cancellation of the Offeree Share Options
"Option Offer Price"	:	the price for cancellation of each outstanding Offeree Share Option pursuant to the Option Offer, being an amount equal to the Cancellation Price minus the relevant exercise price of the outstanding Offeree Share Option for each Offeree Share Option
"Offeree Share(s)"	:	the ordinary share(s) of US$0.00001 each in the issued share capital of Offeree
"Offeree Share Incentive Plans"	:	2015 Offeree Share Incentive Plan and 2018 Offeree Share Incentive Plan
"Offeree Share Options"	:	the outstanding share option(s) granted under the 2015 Offeree Share Incentive Plan and 2018 Offeree Share Incentive Plan
"Offeree Shareholder(s)"	:	the registered holder(s) of the Offeree Shares
"PRC"	:	the People's Republic of China
"Pre-Conditions"	:	the pre-condition(s) to the making of the Proposal as set out in the section headed "B. The Incorporation of The Offeror, The Consortium Agreement, The Proposal and The Earnout Arrangement – (IV) Pre-Conditions and Conditions to the Proposal" above

"Pre-Conditions Long Stop Date"	:	April 30, 2027 (or any other date as may be agreed by the Offeror and Offeree)
"Proposal"	:	the proposal for the privatization of Offeree by the Offeror by way of the Scheme, the implementation of the Option Offer, the implementation of the Earnout Arrangement and the withdrawal of the listing of the Offeree Shares from the Stock Exchange, on the terms and subject to the conditions as described in this announcement
"Scheme"	:	the scheme of arrangement to be proposed under section 86 of the Companies Act involving, among other things, the cancellation of all of the Scheme Shares and the maintenance of the issued share capital of Offeree at the amount immediately prior to the cancellation of the Scheme Shares
"Scheme Document"	:	the composite scheme document (which shall contain, among other things, further details of the Proposal and the Option Offer), the accompanying proxy forms and notices of the Scheme Meeting and the Offeree EGM, to be despatched by the Offeror and Offeree to all Offeree Shareholders on the Despatch Date as required by the Takeovers Code
"Scheme Meeting"	:	a meeting of the Scheme Shareholders to be convened at the direction of the Grand Court at which the Scheme (with or without modification) will be voted upon, or any adjournment or postponement thereof
"Scheme Record Date"	:	the record date to be announced for determining entitlements of the Scheme Shareholders under the Scheme
"Scheme Shareholders"	:	the registered holders of the Scheme Shares
"Scheme Shares"	:	the Offeree Shares in issue and such further Offeree Share(s) as may be issued on or prior to the Scheme Record Date

"Separation Transaction"	:	the transaction to be effected and completed by the Offeree and its subsidiaries after completion of the Proposal, the key terms of which are further described in the section headed "D. The Transaction Agreement And The Separation Transaction – (I) Transaction Agreement" above, including (i) certain transfers, distributions and contributions of the Target Assets, Target Liabilities, Non-Target Assets and Non-Target Liabilities among the Offeree and its subsidiaries (being the "**Asset Restructuring**"), (ii) adjustments to the Consortium Members' respective equity interests in the Offeror (including through transfer of Offeror Shares and cash payments among Hongkong Tigermed, CRL and Dr. Li and Dr. Li's Trusts and/or Frontage ACE, as elected by Dr. Li) to reflect the agreed valuation of the Target Business and the Non-Target Business (being the "**Adjustment of Ownership**"), and (iii) the distribution of the capital stock of certain subsidiaries of the Offeree, which will take up the Non-Target Assets and assume Non-Target Liabilities, to Hongkong Tigermed and Frontage ACE, in consideration for the redemption of the equity interests held by Hongkong Tigermed and Dr. Li and Dr. Li's Trusts in the Offeror (being the "**Equity Transfer**")
"RMB"	:	Renminbi, the lawful currency of the PRC
"Rule 3.5 Announcement"	:	the announcement dated November 9, 2026 jointly published by the Offeror and the Offeree pursuant to Rule 3.5 of the Takeovers Code
"Shareholder(s)"	:	the holder(s) of the share(s) of the Company
"Shenzhen Stock Exchange" or "SZSE"	:	the Shenzhen Stock Exchange (深圳證券交易所)
"subsidiary(ies)"	:	has the meaning ascribed to it under the Hong Kong Listing Rules
"SZSE Listing Rules"	:	the Rules Governing the Listing of Shares on the SZSE
"Stock Exchange"	:	The Stock Exchange of Hong Kong Limited
"Takeovers Code"	:	the Code on Takeovers and Mergers in Hong Kong

"Target Assets" : all assets directly or indirectly owned by Offeree and its subsidiaries related to the Target Business, including the following:

(a) certain assets specifically identified by the parties as such;

(b) shares of capital stock of the Offeree, Frontage Labs, Biotranex, Co. and RMI Laboratories LLC (collectively, the "**Target Entities**");

(c) the cash and cash equivalents attributable to the Target Business;

(d) any and all intellectual property rights owned (or purported to be owned) by Offeree or any of its subsidiaries and related to the Target Business;

(e) any and all IT assets owned by, or leased or licensed to (or purported to be owned by, or leased or licensed to), Offeree or any of its subsidiaries and related to the Target Business;

(f) any and all intellectual property rights owned by a third party and licensed or sublicensed (or purported to be licensed or sublicensed) to Offeree or any of its subsidiaries, or for which Offeree or any of its subsidiaries has obtained a covenant not to be sued and, in each case, related to the Target Business, including any such intellectual property right that is licensed or subject to a covenant not to be sued pursuant to a contract included in the Target Assets; and

(g) any and all other assets that are expressly allocated to CRL, or any other member of its group pursuant to the Transaction Agreement, or certain other agreements to be entered into by and between any Consortium Members in connection with the Separation Transaction

"Target Business"	:	collectively, the bioanalysis and drug metabolism and pharmacokinetics (DMPK) business of the Offeree and its subsidiaries, including the laboratory science businesses and operations of Offeree and its subsidiaries located at the two sites in Exton, Pennsylvania listed on Schedule I of the Transaction Agreement, which includes the central labs and diagnostic services business, bioanalytical services business (both large and small molecule), biologics testing services business, biomarker services business and the drug metabolism and pharmacokinetics business, in each case of Offeree and its subsidiaries; provided that, for the avoidance of doubt, "Target Business" shall not include the chemistry, manufacturing and controls analytical business or the genomics business of Offeree and its subsidiaries
"Target Final Equity Value"	:	Target Initial Consideration less Target Closing Net Debt, less the Customer Advance Adjustment Amount
"Target Initial Consideration"	:	initial consideration attributable to the Target Business as agreed among the Consortium Members in the Transaction Agreement, being US$470,000,000
"Target Liabilities"	:	any and all liabilities of Offeree and its subsidiaries to the extent arising from or related to the Target Assets, regardless of (a) when or where such liabilities arose or arise (whether arising prior to, at or after the Effective Date), (b) where or against whom such liabilities are asserted or determined, (c) regardless of whether arising from or alleged to arise from negligence, gross negligence, recklessness, violation of law, fraud or misrepresentation by Offeree or its subsidiaries, as the case may be, or any of their past or present respective directors, officers, employees, agents or affiliates and (d) which entity is named in any proceeding associated with any liability

"Target Net Working Capital Adjustment Amount"	:	the adjustment between (a) the net working capital target, being a fixed target net working capital amount agreed among the Consortium Members in the Transaction Agreement, and (b) the Target Closing Net Working Capital, being the actual net working capital of the Target Business as of the agreed fixed reference time, provided that (i) if the absolute value of the amount calculated pursuant to the foregoing adjustment items (a) and (b) is equal to or less than US$1,500,000, the Target Net Working Capital Adjustment Amount shall be deemed to be zero, and (ii) if the absolute value of the amount calculated pursuant to the foregoing clauses (a) and (b) is greater than US$1,500,000, the Target Net Working Capital Adjustment Amount shall be such calculated amount, reduced by US$1,500,000 if such calculated amount is positive or increased by US$1,500,000 if such calculated amount is negative (it being understood that only the portion of any shortfall or excess that exceeds US$1,500,000 shall be taken into account)
"Tigermed EGM"	:	an extraordinary general meeting of the Company to be convened for the purposes of passing all necessary resolutions for, among other things, the Consortium Agreement, the Transaction Agreement, the Proposal and the Separation Transaction
"Total Final Equity Value"	:	the aggregate of Target Final Equity Value, Non-Target Non-China Final Equity Value and Non-Target China Final Equity Value
"Transaction Agreement"	:	the agreement dated November 9, 2026 entered into among the Company, Hongkong Tigermed, CRL, Frontage ACE, Dr. Li and Dr. Li's Trusts, pursuant to which the parties have agreed to effect the Separation Transaction after the Effective Date, the key terms of which are further described in the section headed "D. The Transaction Agreement and The Separation Transaction – (I) The Transaction Agreement" above
"Undisturbed Date"	:	October 16, 2026, being the last trading day prior to when there were irregular trading volumes and price movements in the Offeree Shares
"US$" or "US Dollars"	:	Dollars, the lawful currency of the US

"US" or "United States"	:	the United States of America
"US GAAP"	:	United States Generally Accepted Accounting Principles
"%"	:	per cent

For the purpose of this announcement, unless the context otherwise requires, the conversion of US$ into HK$ is based on the approximate exchange rate of US$1 to HK$7.7840 (being the opening buying demand draft rate of US$ to HK$ as announced by the Hong Kong Association of Banks), and RMB into HK$ based on the approximate exchange rate of RMB1 to HK$1.1615 (being the opening buying demand draft rate of Onshore RMB to HK$ as announced by the Hong Kong Association of Banks (www.hkab.org.hk) on November 9, 2026).

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

Hong Kong, November 9, 2026

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