



# 2022 Interim Results

Hangzhou Tigermed Consulting Co., Ltd.

300347.SZ / 3347.HK

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August 2022



TIGERMED

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## Non-IFRS Measure

To supplement our financial information which are presented in accordance with IFRS, we use adjusted net profit attributable to owners of the Company as an additional financial measure, which is not required by, or presented in accordance with IFRS. We define adjusted net profit attributable to owners of the Company as profit for the year attributable to owners of the Company before certain expenses and amortization. We define adjusted net profit attributable to owners of the Company as profit attributable to owners of the Company adjusted for (1) share-based compensation expense, (2) net foreign exchange loss/(gain), (3) one-off expenses in relation to acquisitions, and (4) changes in fair value of financial assets at FVTPL. Adjusted net profit attributable to owners of the Company is not an alternative to (i) profit before tax, profit for the year or profit for the year attributable to owners of the Company (as determined in accordance with IFRS) as a measure of our operating performance, (ii) cash flows from operating, investing and financing activities as a measure of our ability to meet our cash needs, or (iii) any other measures of performance or liquidity. We believe that this non-IFRS measure is useful for understanding and assessing underlying business performance and operating trends, and that the owners of the company and we may benefit from referring to this non-IFRS measure in assessing our financial performance by eliminating the impact of certain unusual, non-recurring, non-cash and/or non-operating items that we do not consider indicative of the performance of our business. However, the presentation of this non-IFRS measure is not intended to, and should not, be considered in isolation from or as a substitute for the financial information prepared and presented in accordance with the IFRS. You should not view the non-IFRS measure on a stand-alone basis or as a substitute for results under the IFRS, or as being comparable to results or a similarly titled financial measure reported or forecasted by other companies.



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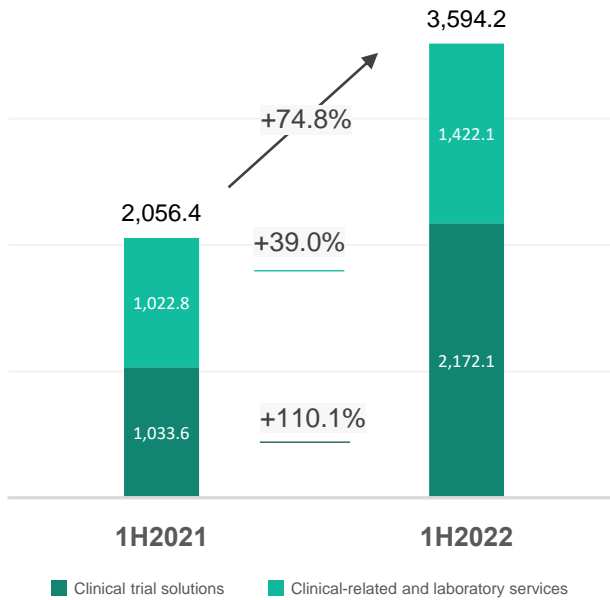
## Results Overview

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# 1H2022 Key Financials

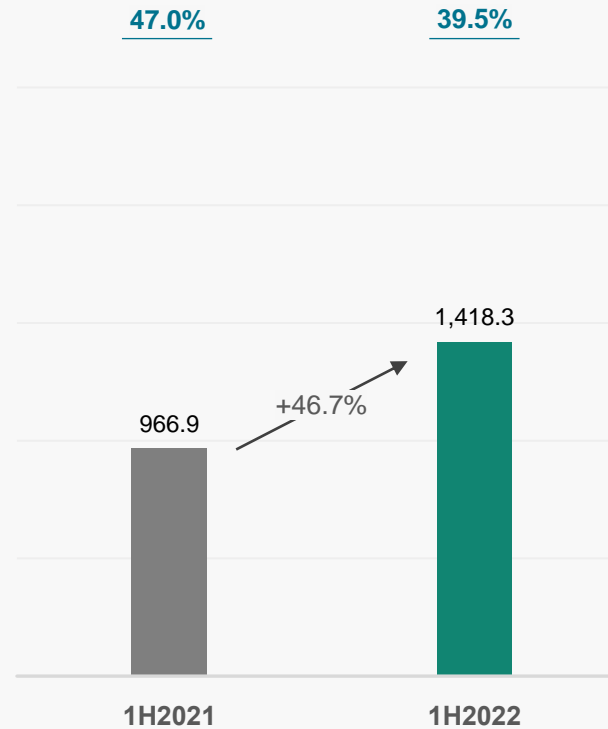
## Revenue

(RMB mm)



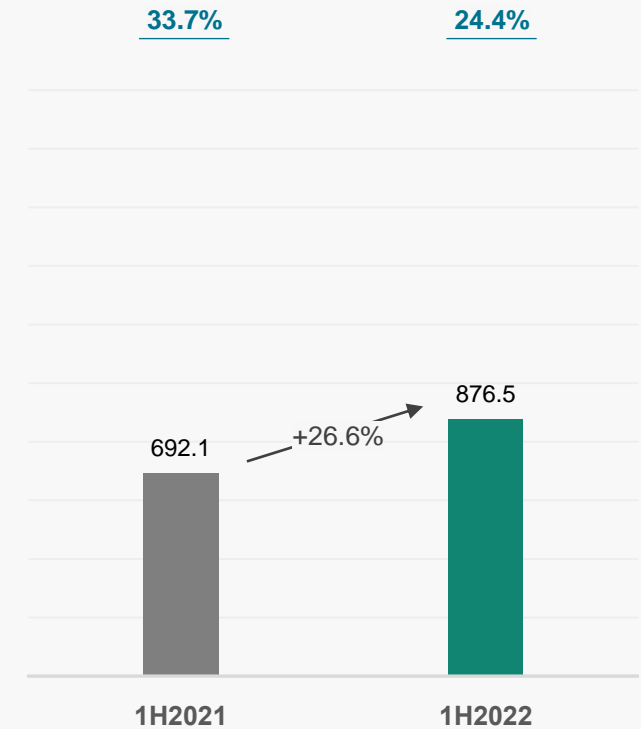
## Gross Profit and Margin

(RMB mm)

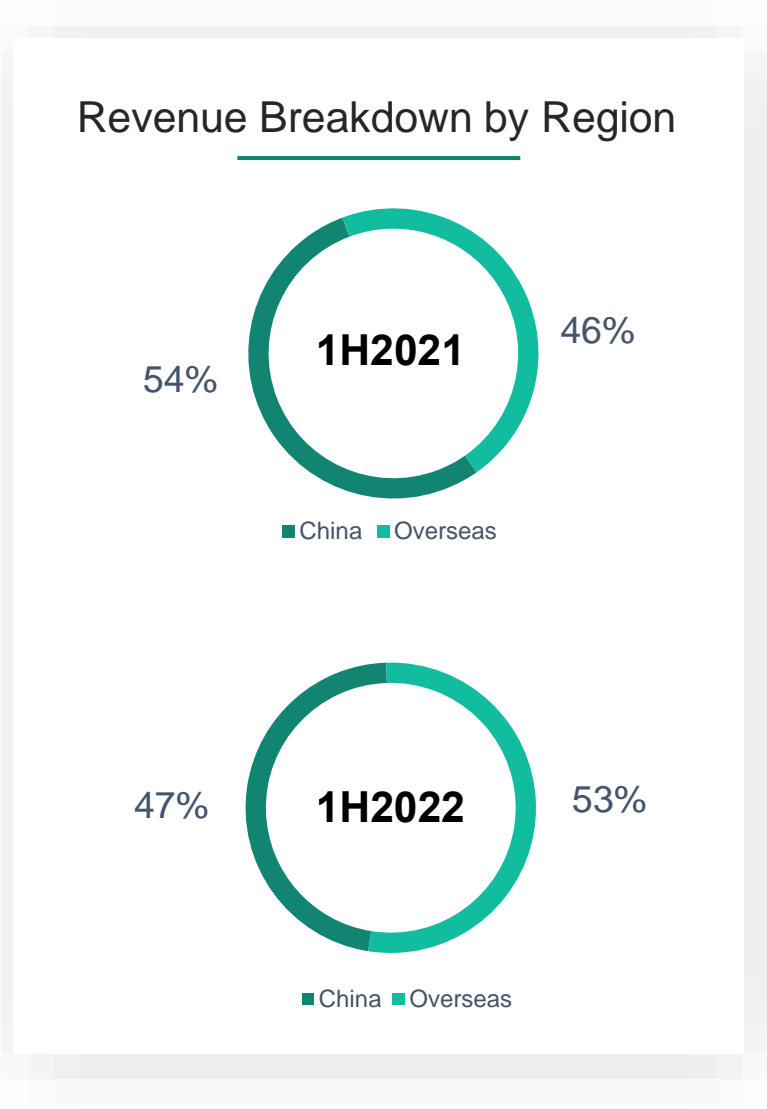
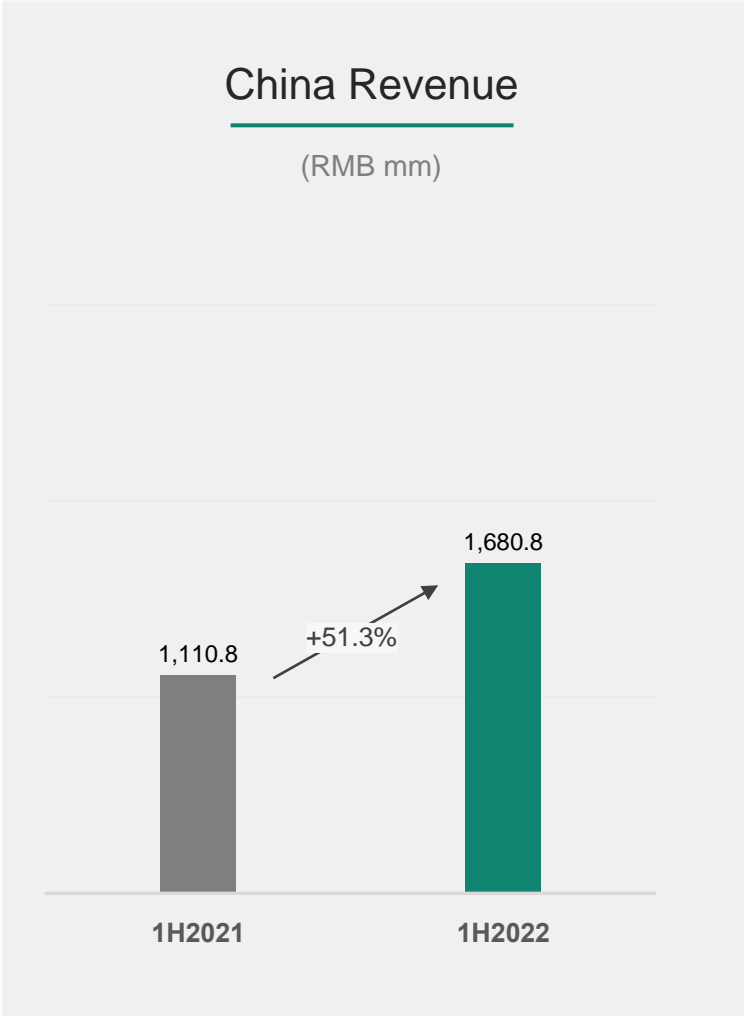


## Adjusted Net Profit Attributable to the Owners of the Company and Margin<sup>(1)</sup>

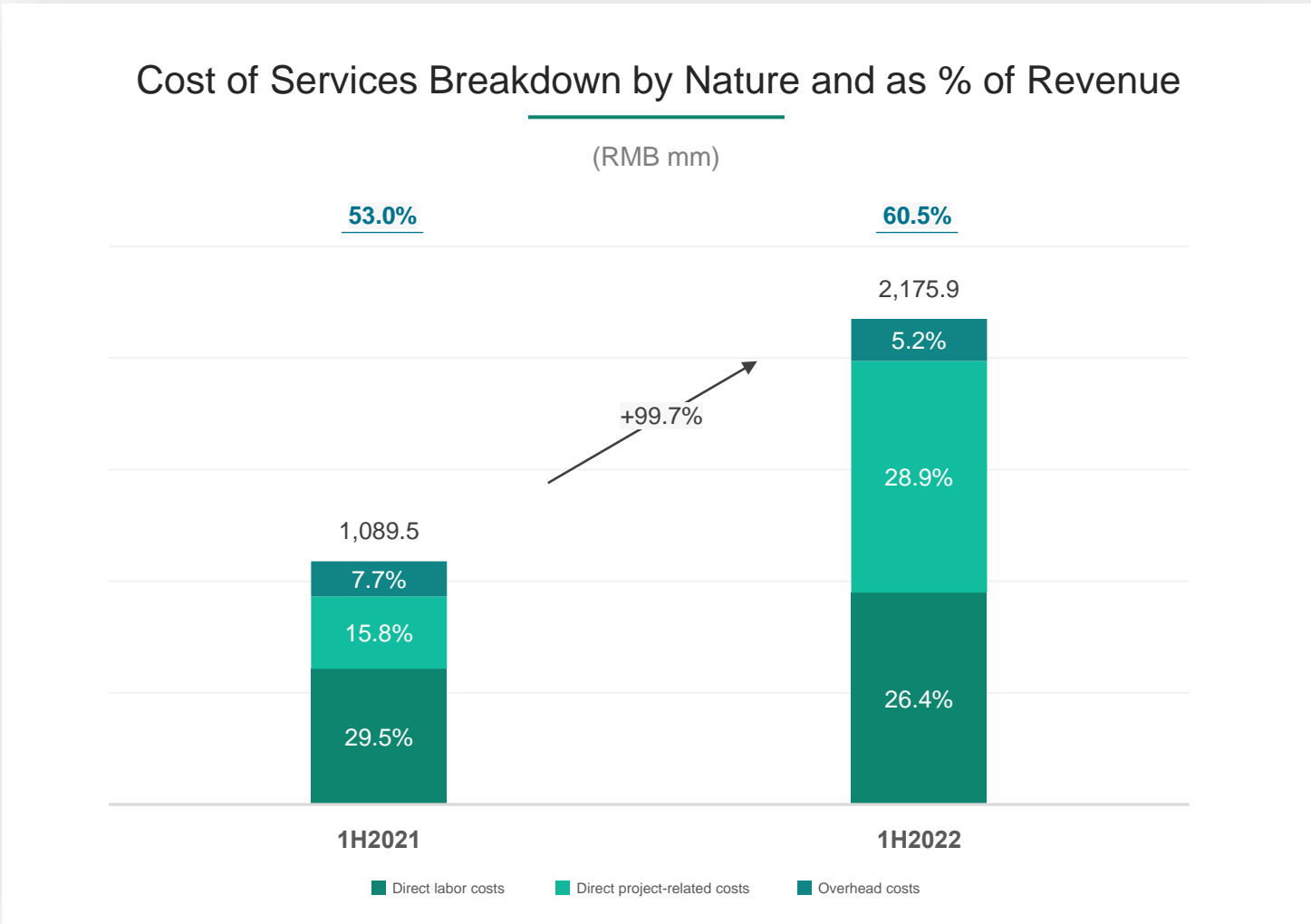
(RMB mm)



# Revenue Breakdown by China and Overseas Markets



# Cost of Services



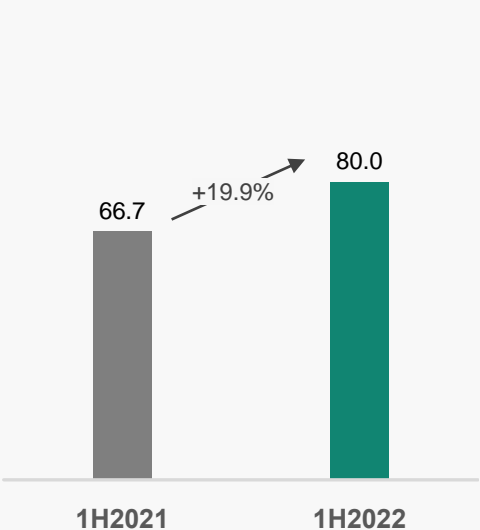
# Operating Expenses

## Selling and Marketing Expenses and as % of Revenue

(RMB mm)

3.2%

2.2%

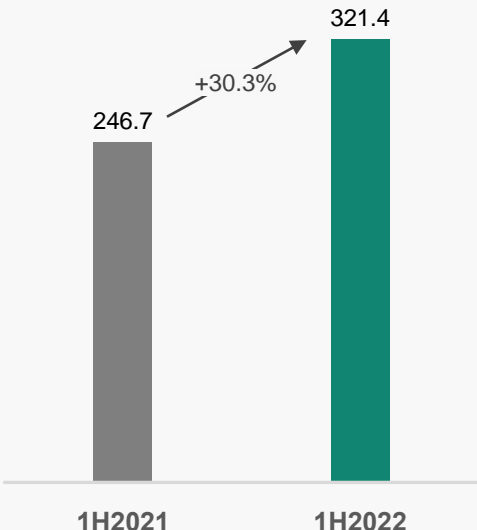


## Administrative Expenses and as % of Revenue

(RMB mm)

12.0%

8.9%

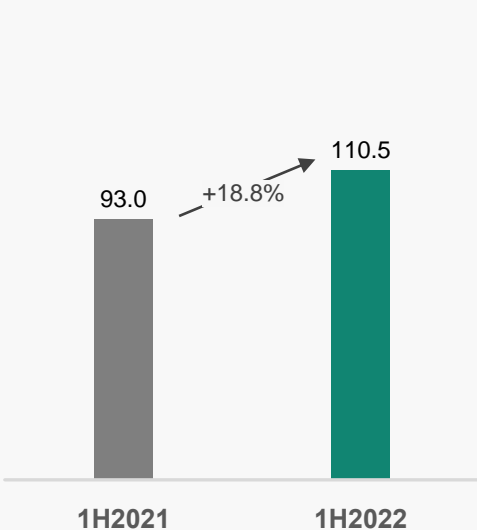


## R&D Expenses and as % of Revenue

(RMB mm)

4.5%

3.1%

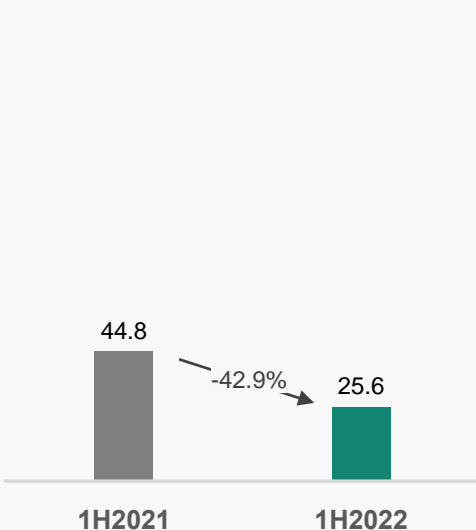


## Share-based Compensation and as % of Revenue

(RMB mm)

2.2%

0.7%





# 02

## Business Updates

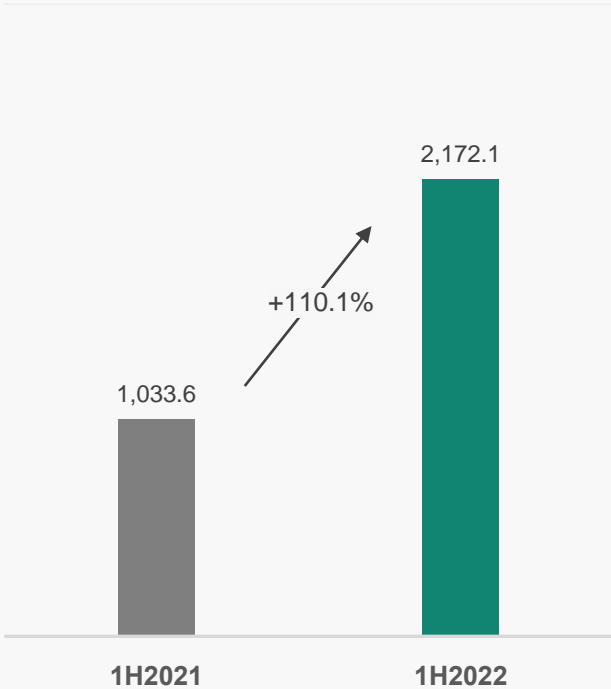
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Clinical Trial Solutions

# Clinical Trial Solutions (“CTS”)

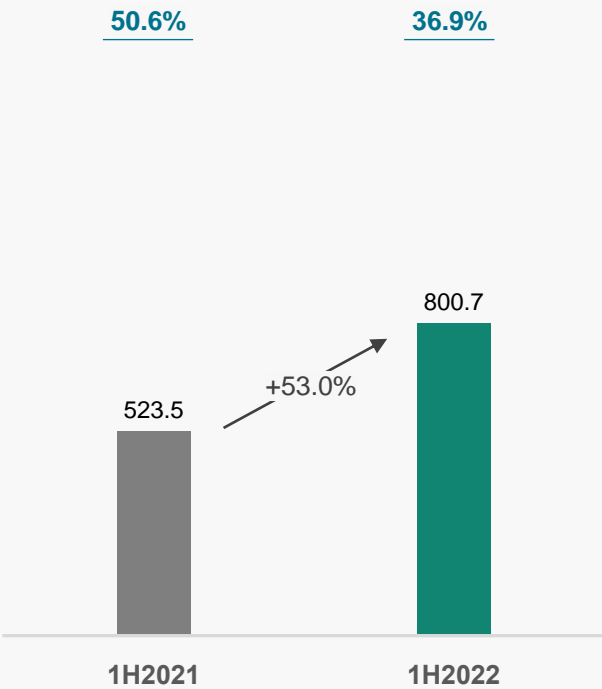
## Segment Revenue

(RMB mm)



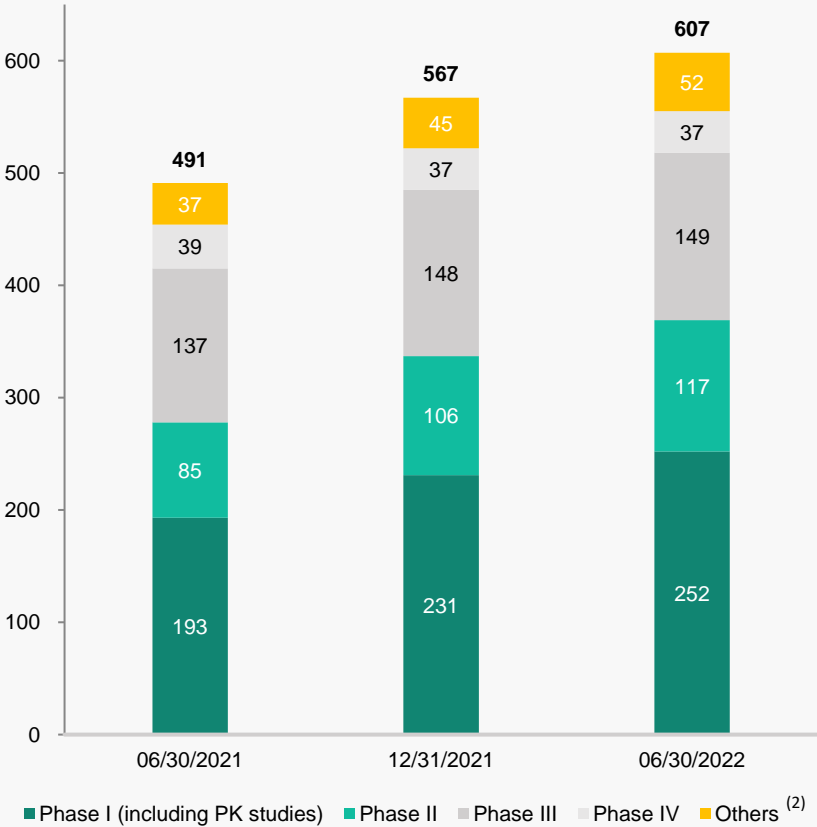
## Segment Gross Profit and Margin

(RMB mm)

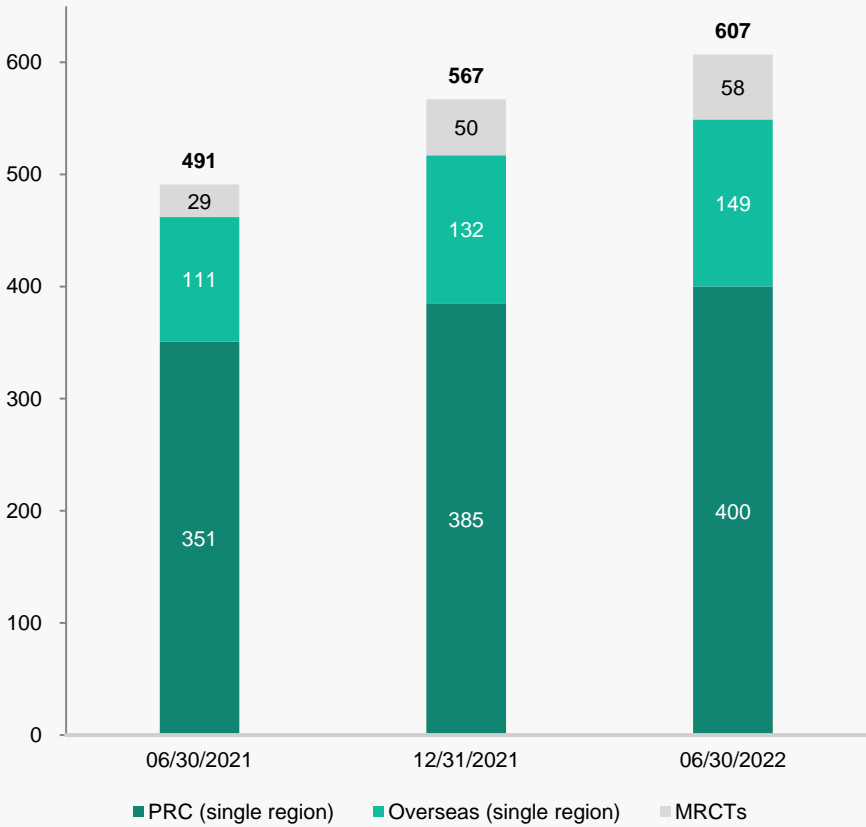


# CTS Key Business Updates

Number of Ongoing Drug Clinical Research Projects by Phase<sup>(1)</sup>



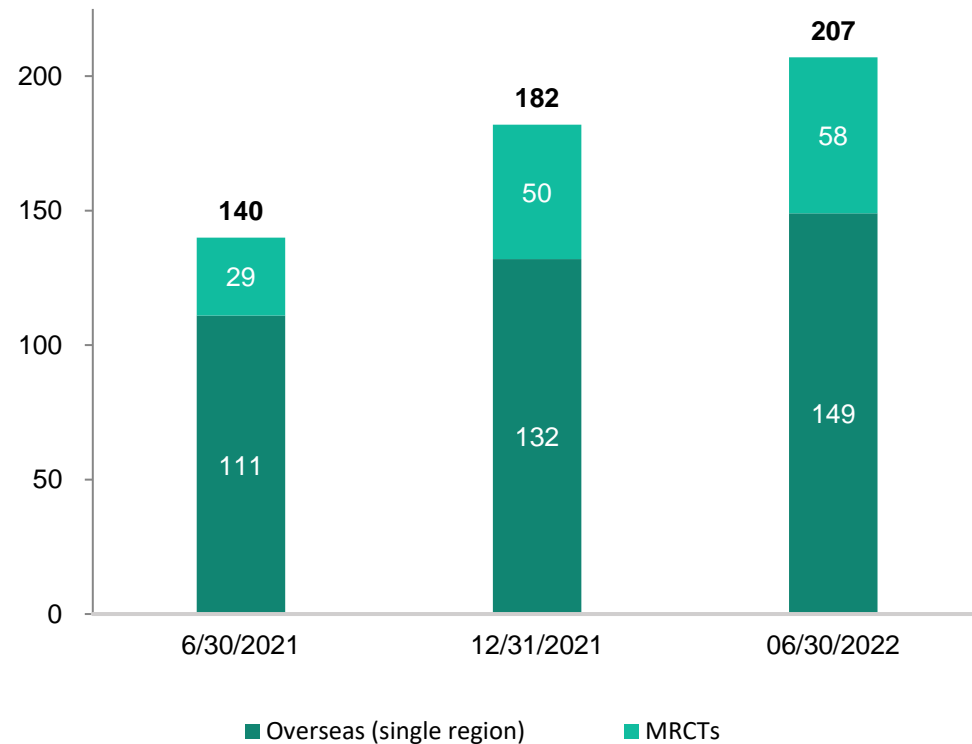
Number of Ongoing Drug Clinical Research Projects by Region<sup>(1)</sup>



# CTS Key Business Updates (Cont'd)

## Overseas Clinical Operation Business Updates

Number of Ongoing Overseas Drug Clinical Research<sup>(1)</sup>

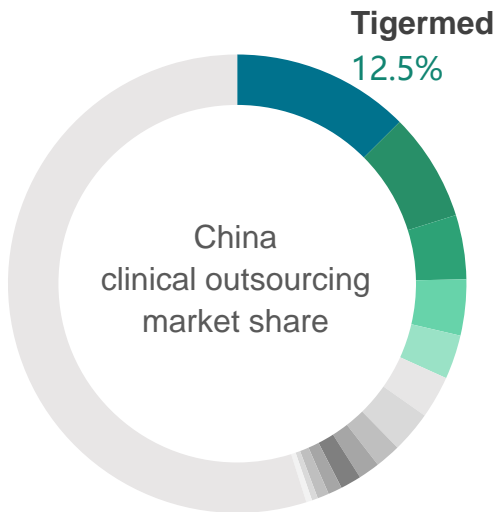


- **149** ongoing single region overseas clinical trials as of June 30, 2022, primarily in South Korea, Australia and the United States
- **58** ongoing MRCTs as of June 30, 2022
- **26** overseas subsidiaries as of June 30, 2022 and have set up new subsidiaries in **UK, Netherland and Vietnam** in 1H2022
- Overseas employees in **53** countries across **five** continents as of June 30, 2022
- Acquired **50+** new bookings for overseas clinical trial and registration projects in 1H2022
- **152** Global Project Managers from **19** countries successfully completed tailor-made Alumni PM trainings in 1H2022

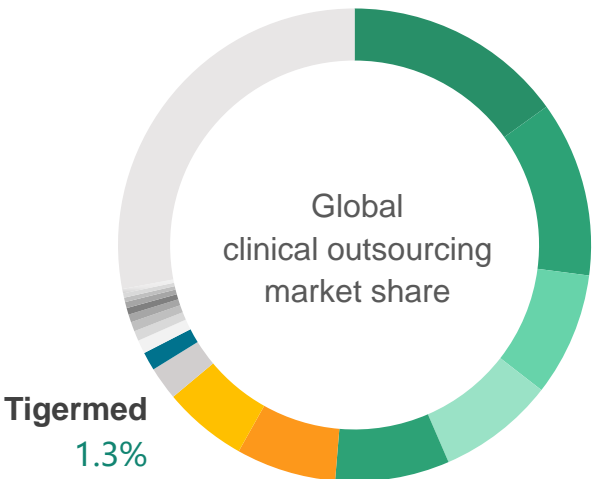
# CTS Key Business Updates (Cont'd)

## Industry Leadership in the Clinical Service Market

Tigermid has the largest market share of **12.5%** in China's clinical outsourcing market in 2021, up by 4.1% from 2019<sup>(1)</sup>



Tigermid is the only China-based clinical service provider ranked among global top 10 with a **1.3%** market share in 2021, up by 0.5% from 2019<sup>(1)</sup>



Tigermid team enabled successful approvals of **4** China Class I innovative drugs in 1H 2022

**56.6%**

provided services to **56.6%** of all Class I innovative drug approvals in China from 2016 to 1H2022

Tigermid served the largest amount of HGRAC clinical research filing projects as contract research organization (CRO) in 2021-1H2022<sup>(2)</sup>

**12.5%**

accounted for **12.5%** of total HGRAC clinical research filing projects in 2021-1H2022<sup>(2)</sup>

# CTS Key Business Updates (Cont'd)

Positioned to further enhance decentralized trial management and risk-based monitoring capabilities

## Centralized Clinical Trials



All clinical trial procedures are conducted at clinical sites (e.g. hospitals)

- Tailinyan (泰临研) platform offers multi-scenario solutions to patients, sponsors, clinical sites and CROs
- Platform features multifaceted remote monitoring capability to address different decentralized trial environments
- Over **800** pharmaceutical or biotech companies have used Tailinyan platform with more than **3,000** clinical trials, of which over **80** are large-scale Phase III pivotal trials<sup>(1)</sup>

## Decentralized Clinical Trials



Less complex clinical trial procedures are conducted remotely

Further advancement in digital technology and direct-to-patient supply delivery could allow all clinical trial procedures conducted virtually

## Conventional On-site Monitoring



Heavy reliance on physical source data verification  
Large amount of data  
Huge workload  
Higher risk of inaccuracy and inconsistency  
Higher internal resource uptake  
Lack of cross-site collaboration

- Risk-Based Quality Management ("RBQM") platform further expanded:
  - Study level: Quality monitoring based on Quality Tolerance Limits (QTL)
  - Study level: Project overview based on study endpoints
  - Site level: Risk monitoring based on key risk indicators
  - Data level: Data quality evaluation based on statistical monitoring
  - Data level: Medical monitoring based on data visualization
- Continued to optimize RBQM platform and operating procedures with the introduction of multiple SOPs and core tools in 1H2022, including in-house Risk Assessment and Categorization Tool ("RACT")
- Finalizing Phase II Project for RBQM platform development with enhanced risk monitoring capability based on key risk indicators<sup>(1)</sup>

## Risk-based Centralized Monitoring



Better efficiency  
Lower cost  
Higher flexibility  
Robustness of results  
Consistency of data  
Allows cross-site comparison

- **Enhanced** patient experience
- **Increased** monitoring coverage
- **Improved** project management efficiency
- **Better** cost control



# CTS Key Business Updates (Cont'd)

## Medical Device Clinical Research

- Had **403** ongoing medical device projects<sup>(1)</sup> as of June 30, 2022
  - Our medical device business ranked **2<sup>nd</sup>** in China's medical device outsourcing market with a **7.1%** market share, and ranked **1<sup>st</sup>** in China's medical device clinical research and registration market<sup>(2)</sup>
  - Expanded medical device data management and statistical analysis talent pool in 1H2022 as one of the largest dedicated for medical device studies; continued collaborations with the School of Health Management of China Medical University to offer professional data management trainings
  - Invested in building lifecycle management capability for digital therapeutics in 1H2022 on the back of burgeoning R&D activities in this area
  - Led the drafting work of two group standards for medical device quality system in 1H2022
- 

## Regulatory Affairs

- Number of customers of our regulatory affair services increased to **582** as of June 30, 2022 from 550 as of December 31, 2021
- A total of **1,124** accumulated project experience as of June 30, 2022
- Number of new US FDA-related projects increased by **67%** year-over-year in 1H2022
- Assisted regulatory filings of multiple MRCTs in over **20** countries including various emerging markets with multiple successful IND approvals obtained

# CTS Key Business Updates (Cont'd)

## Pharmacovigilance (“PV”) and Real World Studies

- Added **177** new PV projects in 1H2022
- Size of Tigermed PV team reached **128** as of June 30, 2022
- Formally launched our in-house developed **eCPM<sup>(1)</sup>** system in 1H2022, a patient-centric real world study management platform that can support multiple projects simultaneously. Our eCPM system focuses on functionality and encompasses patient consent/tele-consent, patient management, follow-ups, real world project management and other scenarios that are key for the project management and execution of our real world studies. This system is also designed modularly and can be tailored for different real world studies
- Continued to gain new real world studies in 1H2022 from both local and multinational pharmaceutical and medical device customers
- Formed collaboration with Shanghai Ruijin Hainan Hospital (上海瑞金医院海南医院) in Boao Lecheng Clinical Center



## Medical Translation

- Added **28** new customers for our medical translation services in 1H2022, including 12 pharmaceutical companies and 16 medical device companies; top medical translation customers include top multinational pharmaceutical and medical device companies
- Medical translation services cover **33** languages in Europe and Americas and **14** languages in Southeast Asia as of June 30, 2022
- Continued to upgrade our centralized medical translation platform in 1H2022 by integrating in-house developed translation production portal with project management platform to further improve the efficiency
- Medical translation business unit obtained **ISO14001** certificate in 1H2022
- Ranked **57<sup>th</sup>** globally (**5<sup>th</sup>** in Chinese Mainland and **15<sup>th</sup>** in Asia Pacific) in 2022 CSA Research Largest Language Service Providers Ranking<sup>(2)</sup>



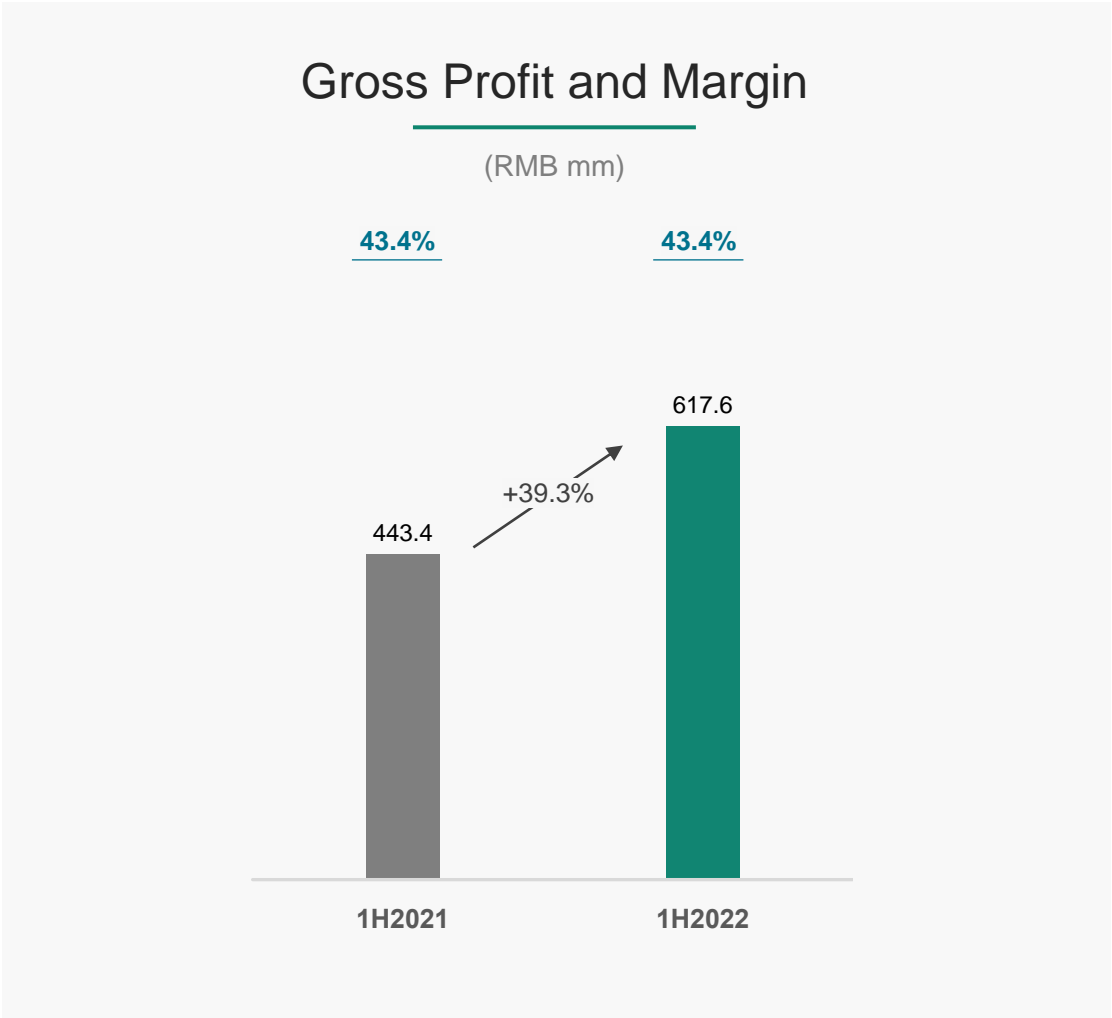
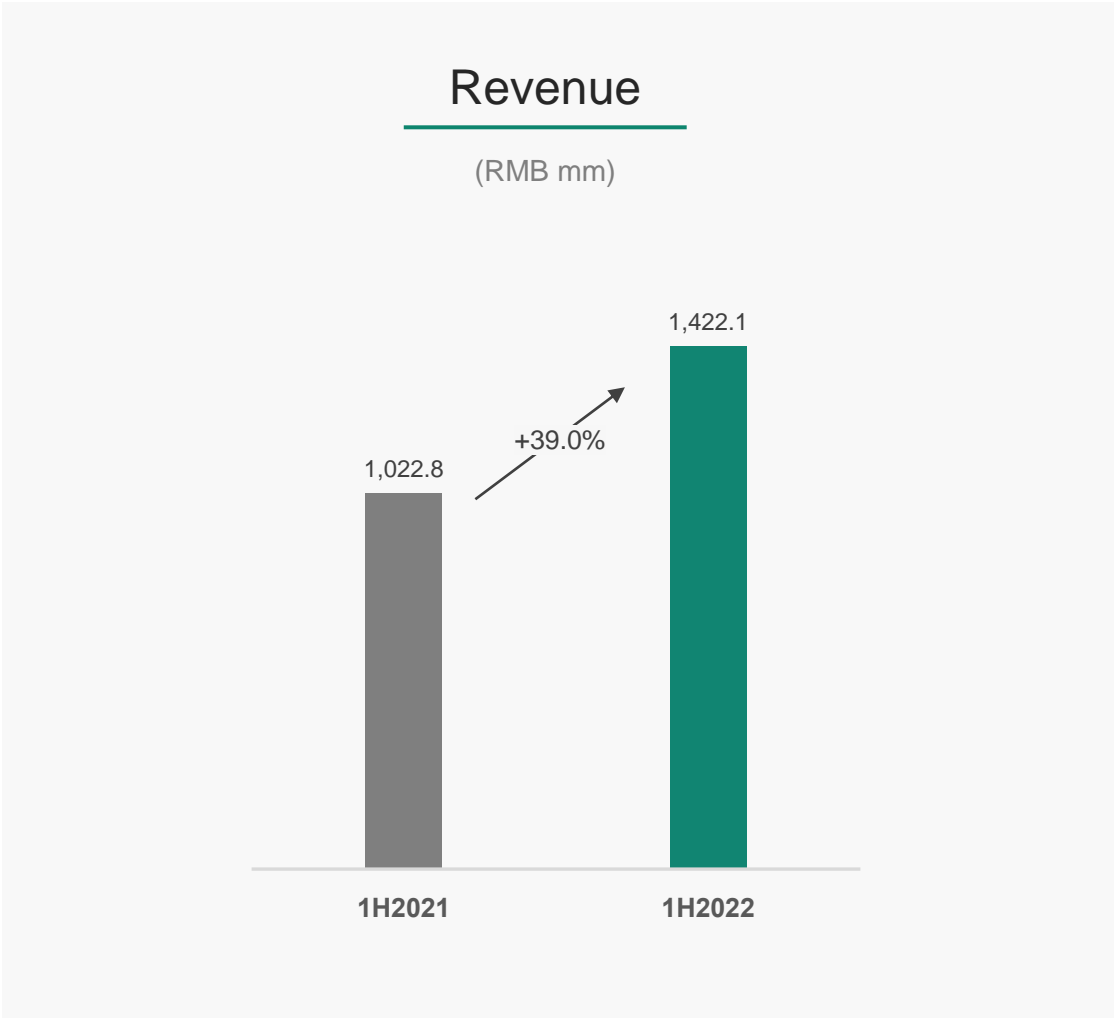
# 03

## Business Updates

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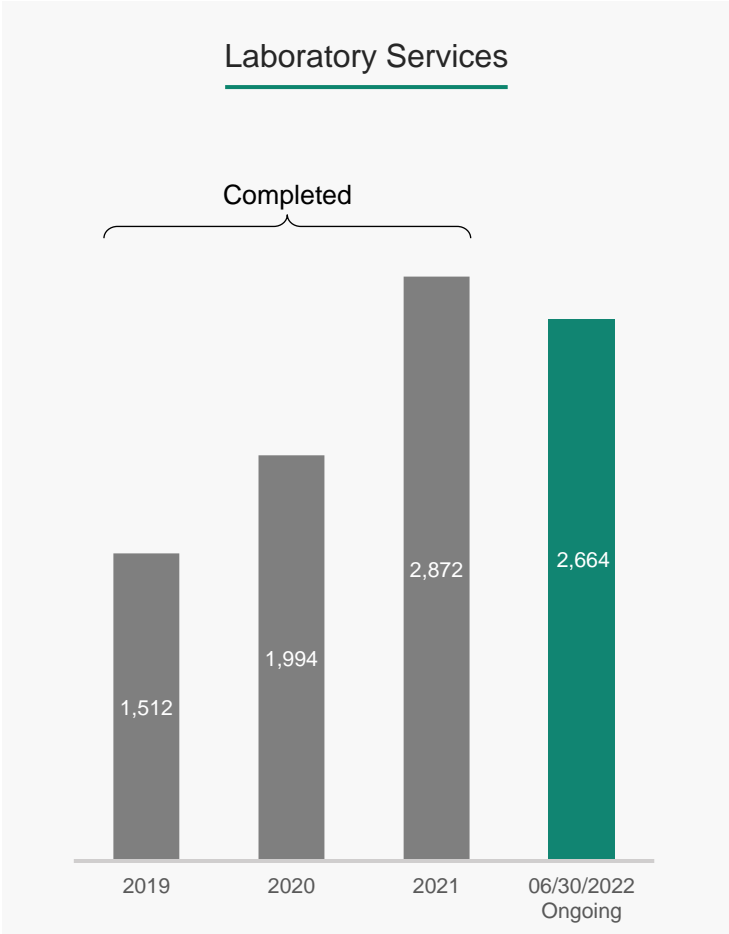
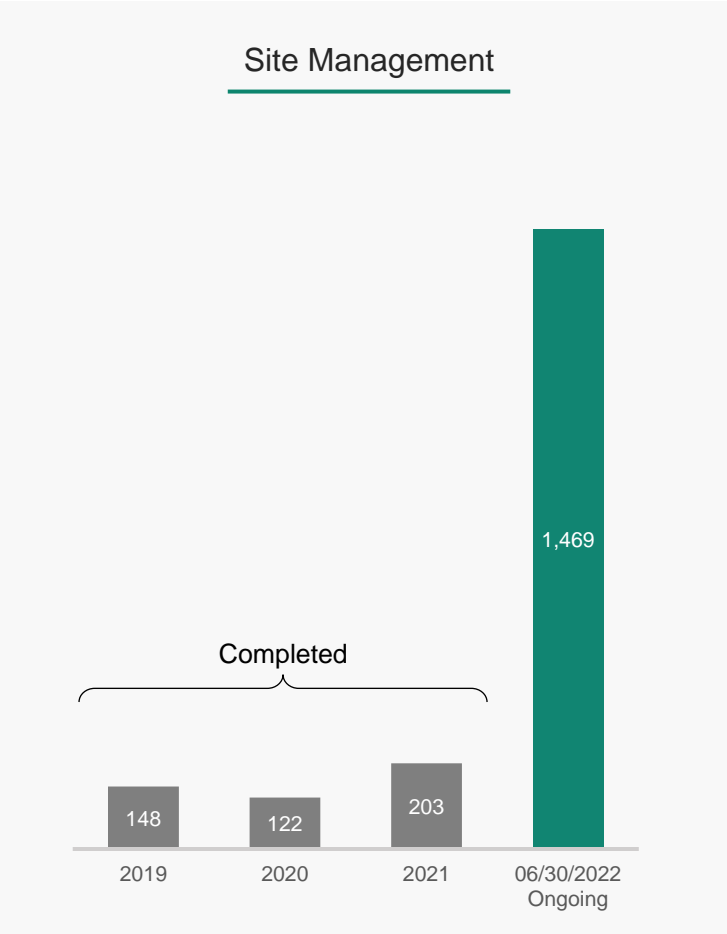
Clinical-related and Lab Services

# Clinical-related and Lab Services (“CRLS”)



# CRLS Key Business Updates

## Project Status for Key CRLS Services



# CRLS Key Business Updates (Cont'd)

## Data Management & Statistical Analysis (“DMSA”)

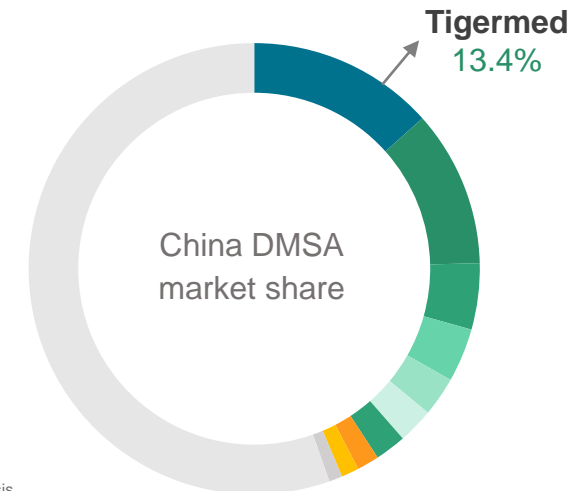
- DMSA team had **786** ongoing projects as of June 30, 2022, of which **526** projects were being conducted by our team based in China and **260** projects by team based overseas
- Total number of customers increased to **208** as of June 30, 2022 from 163 as of December 31, 2021
- As of June 30, 2022, DMSA team had more than **840** professionals based in China, South Korea, the United States and India
- Initiated a **new DMSA site** at Luohe, Henan in 1H2022 as part of our continuing effort to increase operating efficiency, expanding both data management and statistical analysis team there
- Launched **DMSA digital solutions** in February 2022, including four modules for data management and five for statistical analysis

We are the largest DMSA service provider in China with **13.4% market share**

Note:

1. revenue used for calculation of market share in China includes DMSA related revenue from China subsidiaries for multinational CROs and total DMSA related revenue for China-based CROs
2. Certain data from expert interviews and may not be entirely accurate

Source: Expert interview, public information and Tigermed analysis



# CRLS Key Business Updates (Cont'd)

## Laboratory Services

- Expanded capacities in pharmacological safety assessment and toxicology services through the acquisition of Experimur (US), and further expanded our bioanalytical, biologics bioassay, and biomarker services through new **25,000** sq. ft. facility in Hayward, CA
  - The new **67,000** sq. ft. bioanalytical, central lab and DMPK facility, as well as a **7,000** sq. ft. GMP kilo laboratory and a **17,000** sq. ft. medicinal chemistry facility in Shanghai were fully operational. The new **215,000** sq. ft. DMPK and non-GLP/GLP tox facility in Suzhou, and a new **34,000** sq. ft. drug screening facility in Wuhan became operational in 1H2022
  - Frontage's toxicology facility in Suzhou, China was granted **"Experimental Animal Use License"** in January 2022 following authorities inspection of its first animal laboratory in China
  - Laboratory services headcount increased from 1,322 as of December 31, 2021 to **1,505** as of June 30, 2022
- 

## Site Management

- Added **217** new projects in 1H2022 and had **1,469** ongoing site management projects as of June 30, 2022
  - Team size of **2,503** with **2,108** full time Clinical Research Coordinators ("CRC"s) as of June 30, 2022, covering **140+** cities across China
  - Adopted contingency plan for the COVID-19 outbreak in 1H2022 to reduce the impact on trial progress or quality by, where applicable, assisting patients to physically visit hospitals, couriering investigational drugs, and assigning CRCs residing at trial center to assist follow-ups
  - Dynamically adjusted recruitment plans in light of the COVID-19 pandemic in 1H2022 to control budget and avoid redundancy and unnecessary costs
- 

## Excellence for Clinical Trial Sites ("E-Site")

- E-Site Program had **19** regions across China, **164** E-Site centers and **67** Core centers as of June 30, 2022
- As of June 30, 2022, established strategic collaboration relationship with **21** E-Site centers to jointly explore and establish industry leading clinical research management platform and clinical lifecycle management capability
- Invited **31** experts and assisted to organize **14** regional conferences within E-Site network in 1H2022

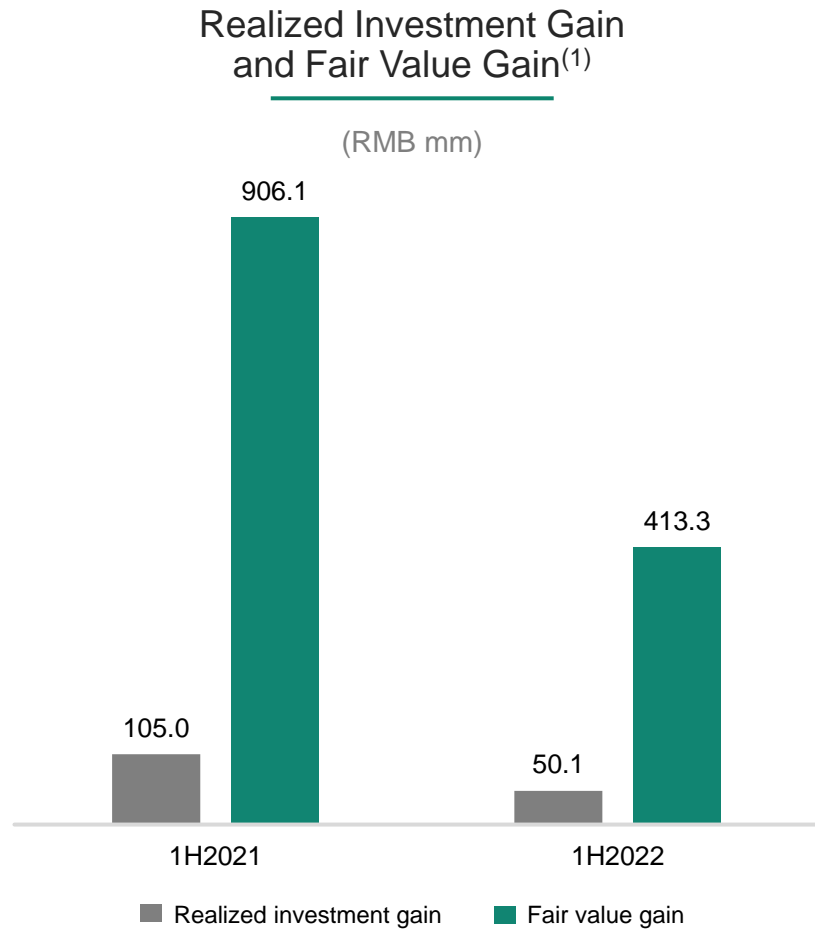


# 04

## Other Updates

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# Updates of Investment Activities

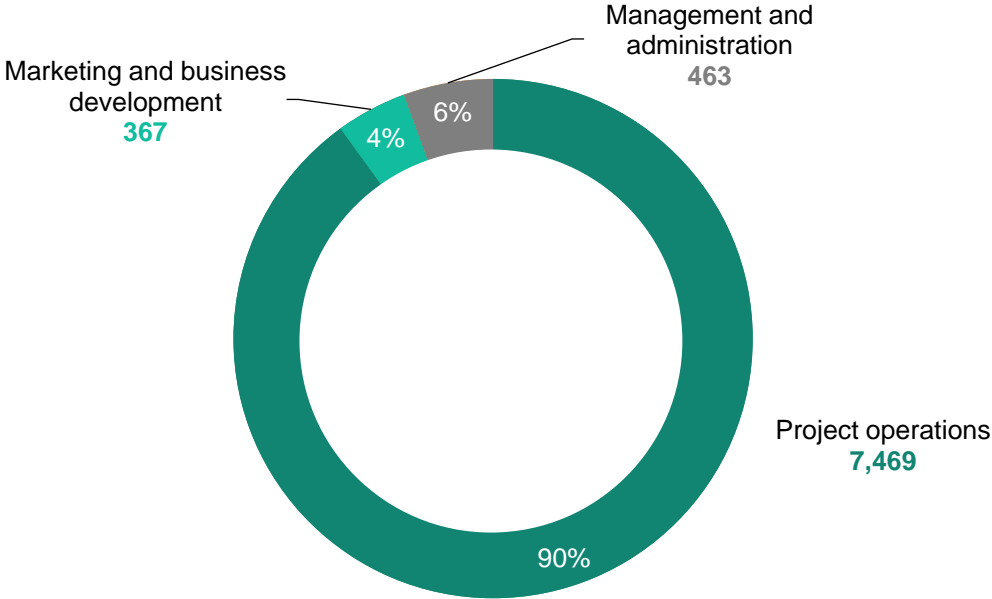


- Portfolio included **146** companies in the healthcare industry and **57** investment funds as of June 30, 2022
- RMB **9,713.3** mm balance as of June 30, 2022
- Invested RMB **340.8** mm in unlisted equities; and RMB **152.1** mm in investment funds in 1H2022
- Received RMB **321.2** mm cash from investment exits in 1H2022
- In 1H2022, we realized a gain of RMB **80.7** mm from exiting our portfolio companies and funds, as measured by the exit amount against our initial investment cost

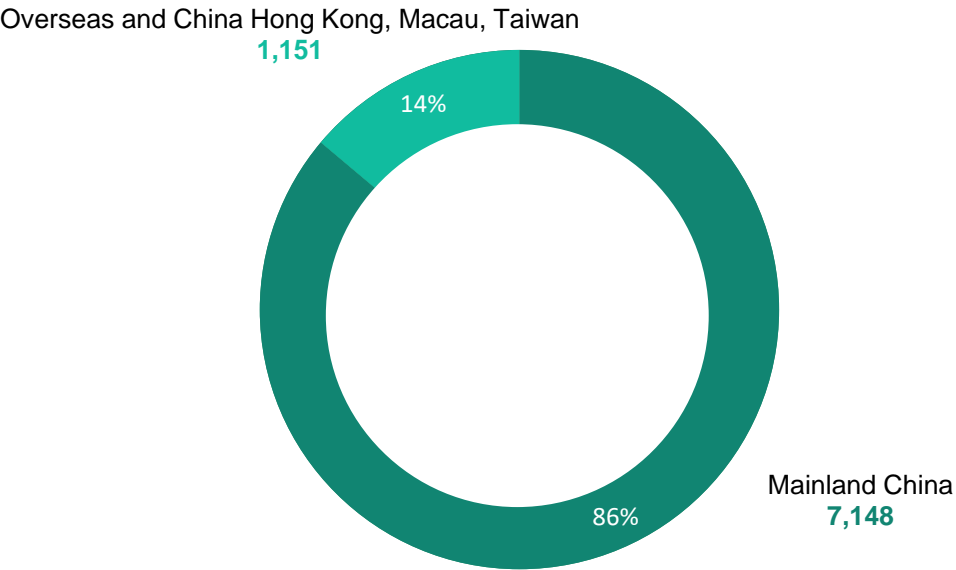
# Employee Base

Total employees decreased by 0.3% to 8,299 as of June 30, 2022 from 8,326 as of December 31, 2021

Employees Mix by Function<sup>(1)</sup>



Employees Mix by Geography<sup>(1)</sup>



# Commitment to Sustainability

## AAA in 2022 CNI ESG Ratings by Shenzhen Stock Exchange

- In July 2022, Shenzhen Stock Exchange (“SZSE”) officially launched CNI ESG Ratings Methodology and released ESG indices and ESG leading indices of SZSE’s core indices (Shenzhen Component Index, ChiNext Index, Shenzhen 100) that were compiled based on the methodology
- The CNI ESG Ratings Methodology aims to provide ESG rating tools that are suitable for the Chinese capital market. Underpinned by environment, corporate social responsibilities and corporate governance, CNI ESG Ratings aims to reflect the sustainable development practices and achievements of SZSE-listed companies. Tigermed was rated AAA, the highest ranking of the CNI ESG Ratings

泰格医药 (300347)

行业: 医药卫生>医疗保健提供商与服务

ESG评级:



二级行业排名 (医疗保健提供商与服务):



# Enhanced Corporate Branding in 1H2022

## Mission

Advance human health through  
delivery excellence

## Vision

To be recognized as the leading  
global CRO

## Values

Honesty, Accountability  
Respect, Partnership

## Brand Identity

Passion for Innovation  
Global Excellence, China Expertise

# 05

## Appendix

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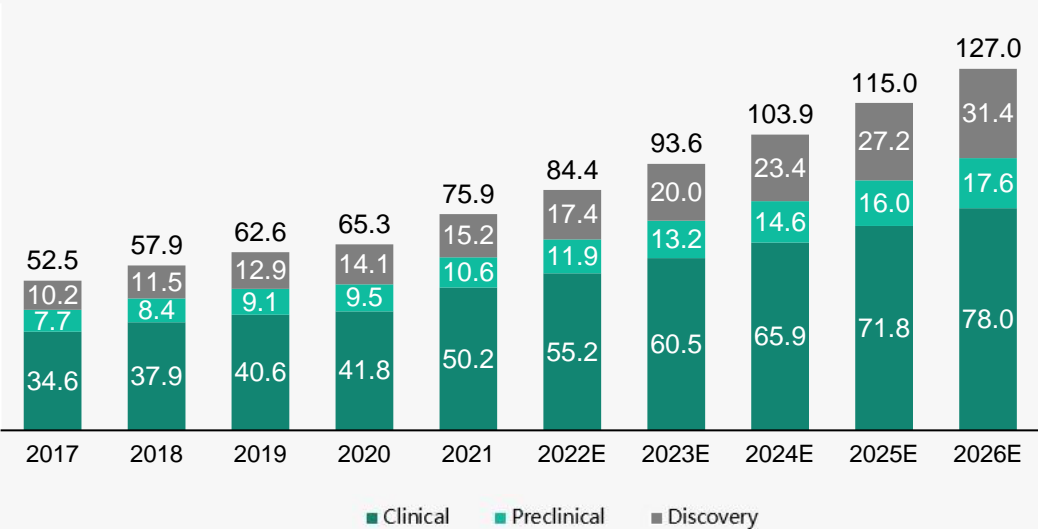
# Global and China Pharmaceutical R&D Service Market

By R&D Stage, 2017-2026E

Global CRO Market Size<sup>(1)</sup>

Time Period	CAGR			
	Discovery	Preclinical	Clinical	Overall
2017-2021	10.4%	8.3%	9.7%	9.6%
2021-2026E	15.6%	10.6%	9.2%	10.8%

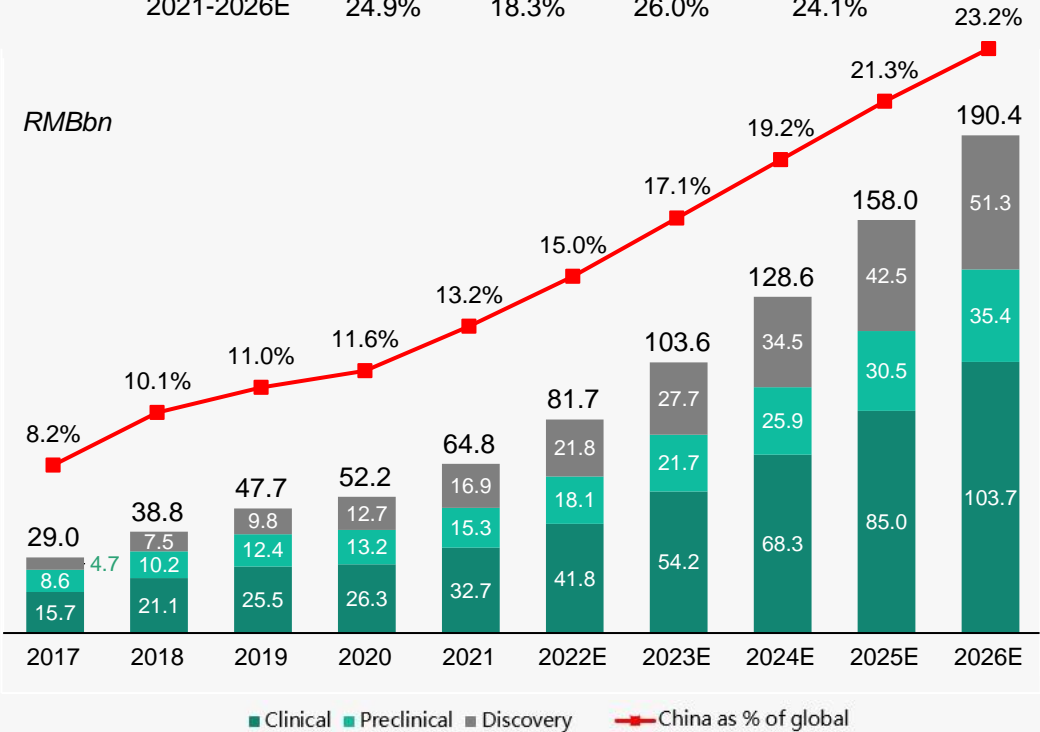
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China CRO Market Size<sup>(2)</sup>

Time Period	CAGR			
	Discovery	Preclinical	Clinical	Overall
2017-2021	37.5%	15.6%	20.1%	22.3%
2021-2026E	24.9%	18.3%	26.0%	24.1%

RMBbn



# Consolidated Statement of Profit or Loss

(RMB 000s)	Period ended June 30,	
	2021	2022
<b>Revenue</b>	<b>2,056,375</b>	<b>3,594,209</b>
<b>Cost of services</b>	<b>(1,089,456)</b>	<b>(2,175,881)</b>
<b>Gross profit</b>	<b>966,919</b>	<b>1,418,328</b>
Other income	147,419	128,757
Other gains and losses, net	1,007,221	468,609
Impairment losses	(10,252)	(28,411)
Selling and marketing expenses	(66,656)	(80,040)
Administrative expenses	(246,682)	(321,379)
Research and development expenses	(93,034)	(110,520)
Share of losses of associates	723	35,556
Finance costs	(7,942)	(31,035)
<b>Profit before tax</b>	<b>1,697,716</b>	<b>1,479,865</b>
Income tax expense	(103,533)	(162,239)
<b>Profit for the year</b>	<b>1,594,183</b>	<b>1,317,626</b>
<b>Profit attributable to owners of the Company</b>	<b>1,259,914</b>	<b>1,192,004</b>
Adjusted for:		
Share-based compensation expense	33,369	16,673
Net foreign Exchange loss/(gain)	3,471	(1,829)
One-off expenses in relation to acquisitions	4,344	17,225
Change in fair value of financial assets at FVTPL	(609,005)	(347,542)
<b>Adjusted net profit attributable to owners of the Company<sup>(1)</sup></b>	<b>692,093</b>	<b>876,531</b>

# Consolidated Statement of Financial Position

(RMB 000s)

	As of December 31, 2021	As of June 30, 2022
<b>NON-CURRENT ASSETS</b>	<b>12,891,285</b>	<b>14,993,243</b>
Property, plant and equipment	701,857	824,671
Intangible assets	234,090	271,738
Goodwill	1,778,948	2,347,881
Right-of-use assets	473,262	477,068
Interests in associates	738,799	1,227,541
Deferred tax assets	100,936	98,011
Financial assets at fair value through profit or loss ("FVTPL")	8,746,344	9,677,705
Financial assets at fair value through other comprehensive income ("FVTOCI")	13,531	-
Restricted bank deposits	1,913	2,013
Other non-current assets	101,605	66,615
<b>CURRENT ASSETS</b>	<b>10,849,888</b>	<b>10,709,937</b>
Inventories	6,095	16,965
Trade, bills and other receivables and prepayments	952,017	1,053,818
Contract assets	1,285,475	1,765,802
Structured deposits and derivative financial instruments	29,180	35,569
Prepaid income tax	34,678	64,861
Restricted bank deposits	8,586	8,046
Time deposit with original maturity over three months	155,440	67,479
Cash and cash equivalents	8,378,417	7,697,397

# Consolidated Statement of Financial Position (Cont'd)

(RMB 000s)

	As of December 31, 2021	As of June 30, 2022
<b>CURRENT LIABILITIES</b>	<b>2,412,716</b>	<b>3,434,473</b>
Trade and other payables	879,962	632,059
Contract liabilities	789,509	819,623
Borrowings	492,320	1,761,905
Income tax payables	176,410	135,102
Lease liabilities	74,515	85,784
<b>NON-CURRENT LIABILITIES</b>	<b>723,260</b>	<b>771,800</b>
Non-current Bank borrowing	-	37,492
Deferred government grant	-	14,459
Lease liabilities	406,839	408,150
Other long-term liabilities	114,881	98,654
Deferred tax liabilities	201,540	213,045
<b>NET ASSETS</b>	<b>20,605,197</b>	<b>21,496,907</b>
<b>TOTAL EQUITY</b>	<b>20,605,197</b>	<b>21,496,907</b>
Share capital	872,439	872,419
Treasury shares	(579,186)	(869,340)
Reserves	17,892,210	18,702,353
<b>Equity attributable to owners of the Company</b>	<b>18,185,463</b>	<b>18,705,432</b>
Non-controlling interests	2,419,734	2,791,475



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