



Hangzhou Tigermед Consulting Co., Ltd.

2020 Interim Results

August 2020

300347.SZ / 3347.HK



Disclaimer



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2020 Interim Results



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2020 Interim Results



2020 Interim Snapshot

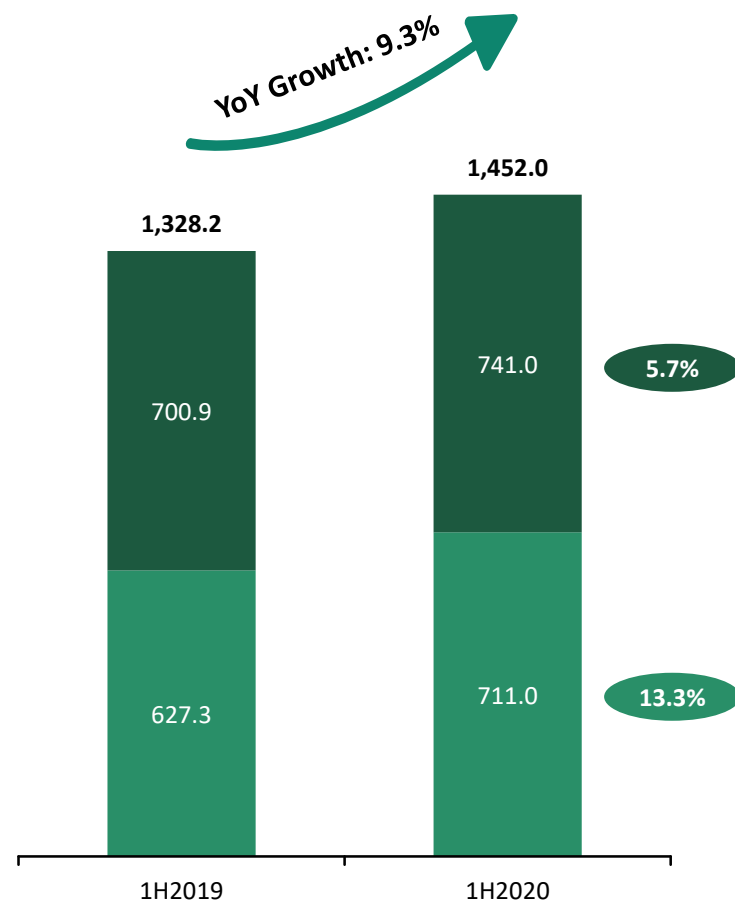


(1) By revenue in 2019, according to Frost & Sullivan
 (2) 2017 - 1H2020, Class I new drugs refer to innovative drugs that have not been marketed in China nor overseas
 (3) As of June 30, 2020
 (4) As of June 30, 2020, include both single region trials and multi region clinical trials ("MRCT"s)
 (5) By revenue, during six months ended June 30, 2020

Key Financials for 1H2020

Revenue

(RMB mm)



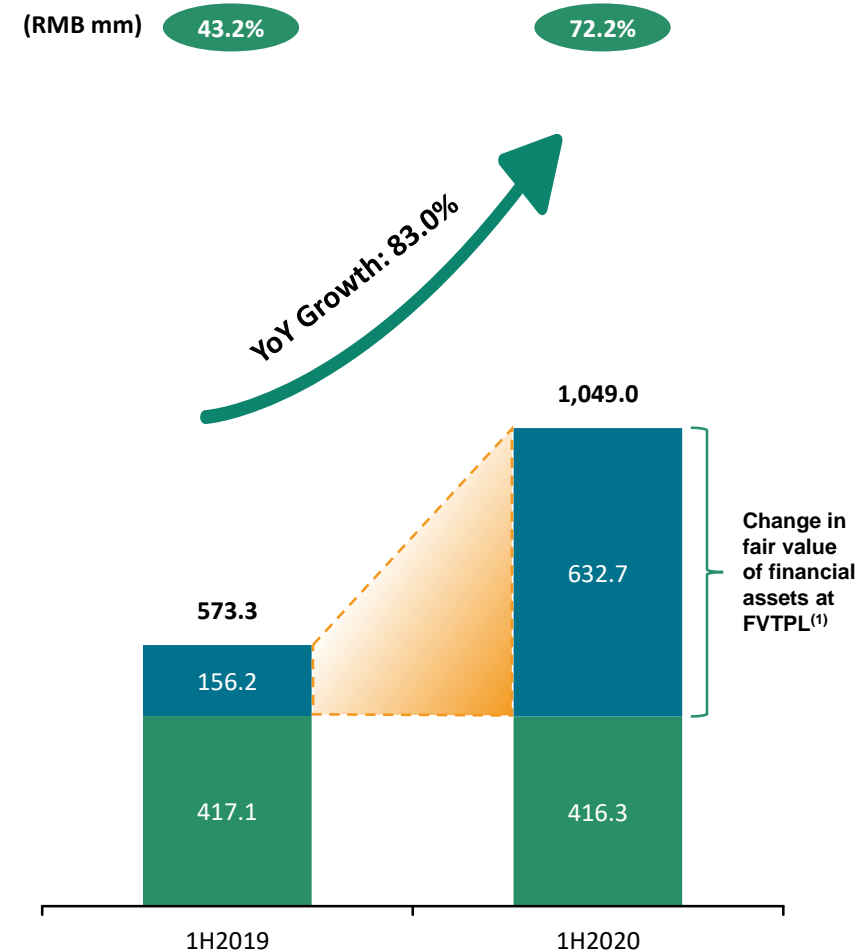
Gross Profit and Margin

(RMB mm)



Net Profit and Margin

(RMB mm)



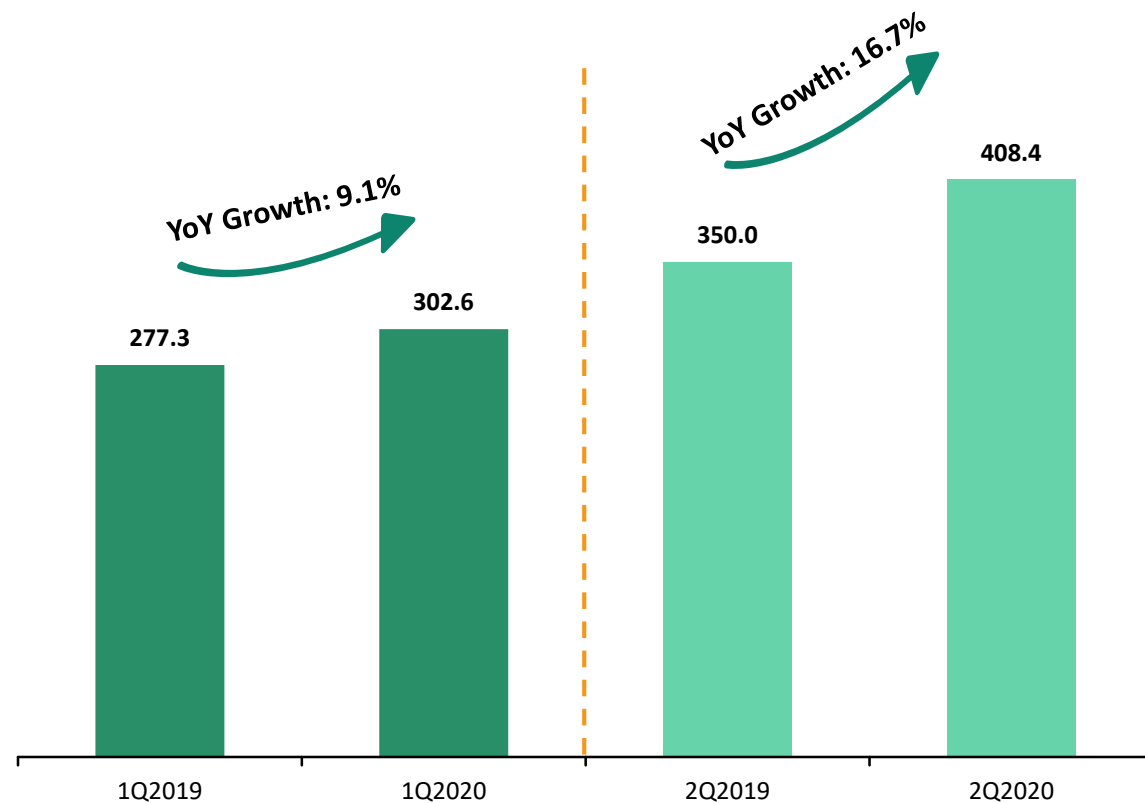
■ Clinical trial solutions ■ Clinical-related and laboratory services

(1) Exclusive of income tax payable

1Q and 2Q2020 Business Segment Performance

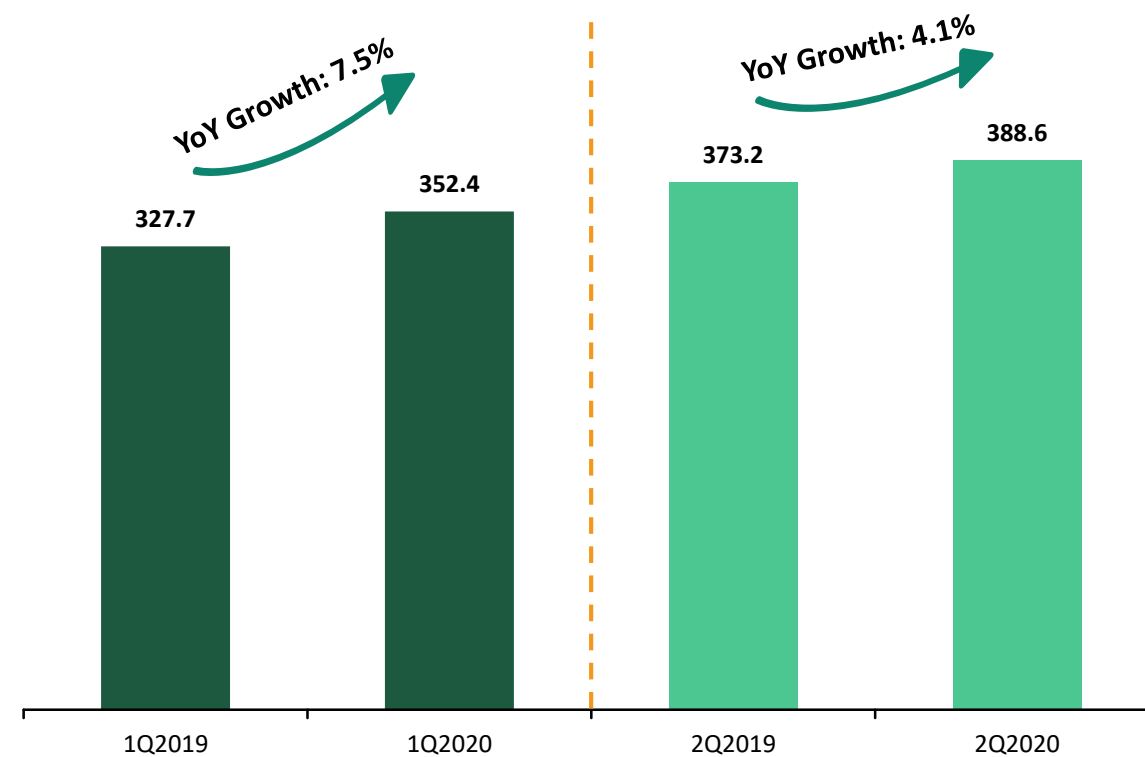
Clinical Trial Solutions

(RMB mm)



Clinical-related and Laboratory Services

(RMB mm)

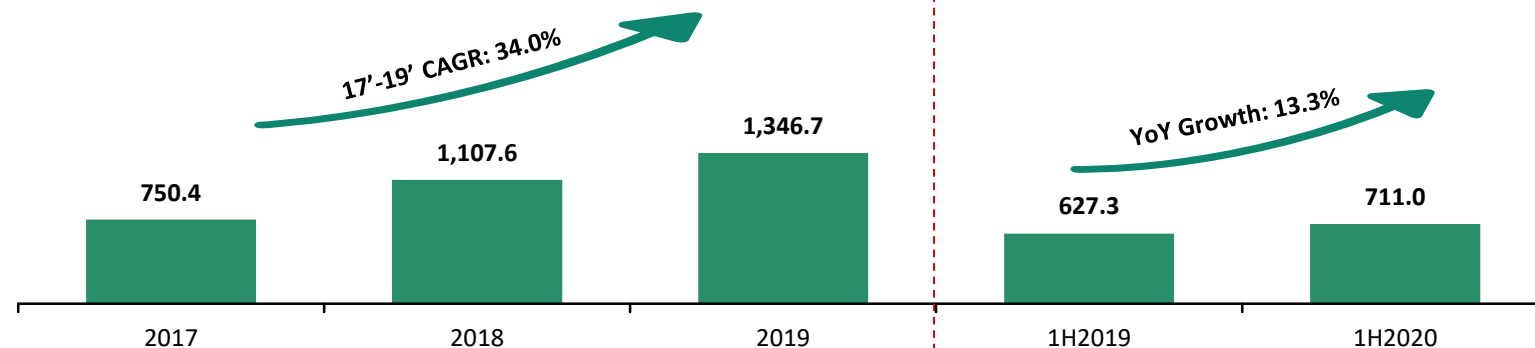


Business Update



Revenue

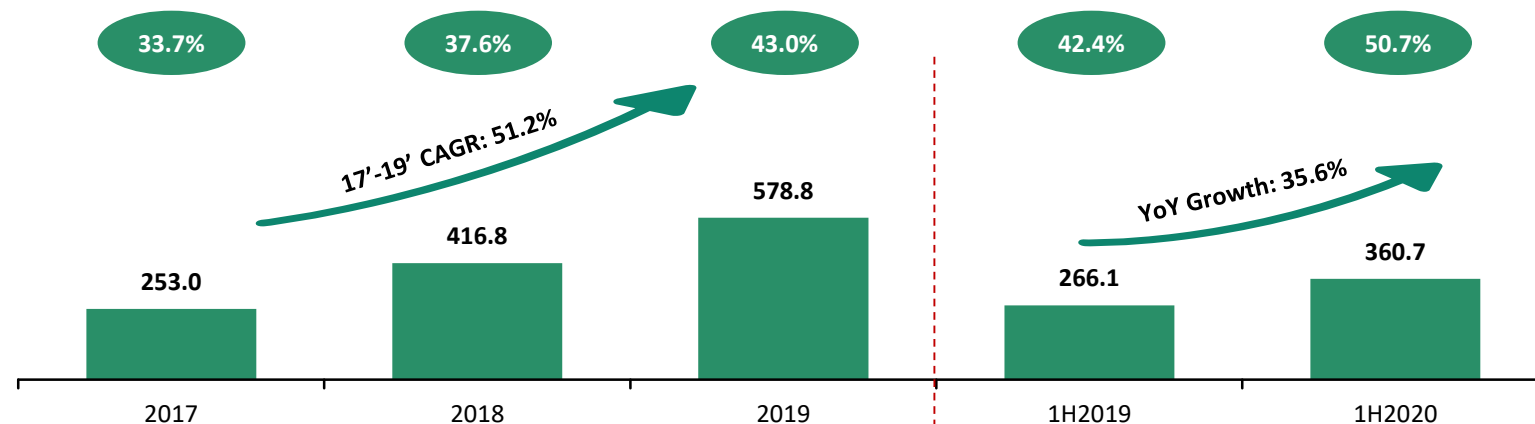
(RMB mm)



- Segment revenue increased 13.3% YoY to RMB711.0mm in 1H2020
- Acquisition of Beijing Yaxincheng Medical InfoTech Co., Ltd. ("**Yaxincheng**") in July 2019 and Shanghai Mosim Medical Technology Co., Ltd. ("**Mosim**") in January 2020 contributed to the increase of segment revenue
- Revenue from clinical trial operations also increased despite the impact of COVID-19 outbreak

Gross Profit and Margin

(RMB mm)

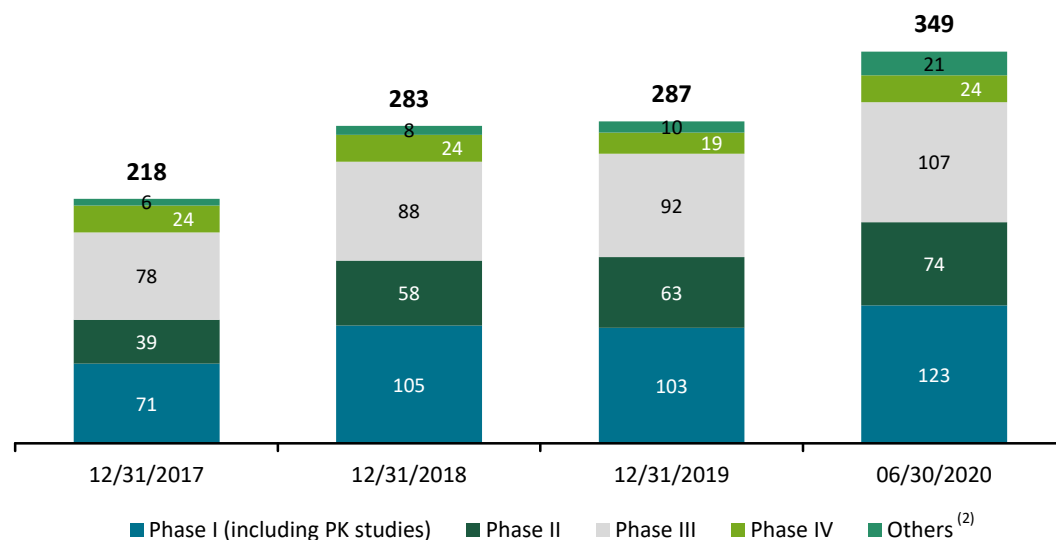


- Yaxincheng and Mosim contributed to the increase in the segment gross profit margin in 1H2020
- Upward re-negotiation of the transaction prices of certain projects during 1H2020 with performance obligations substantially satisfied in 2019 also allowed additional certain revenue recognized with relatively low costs incurred

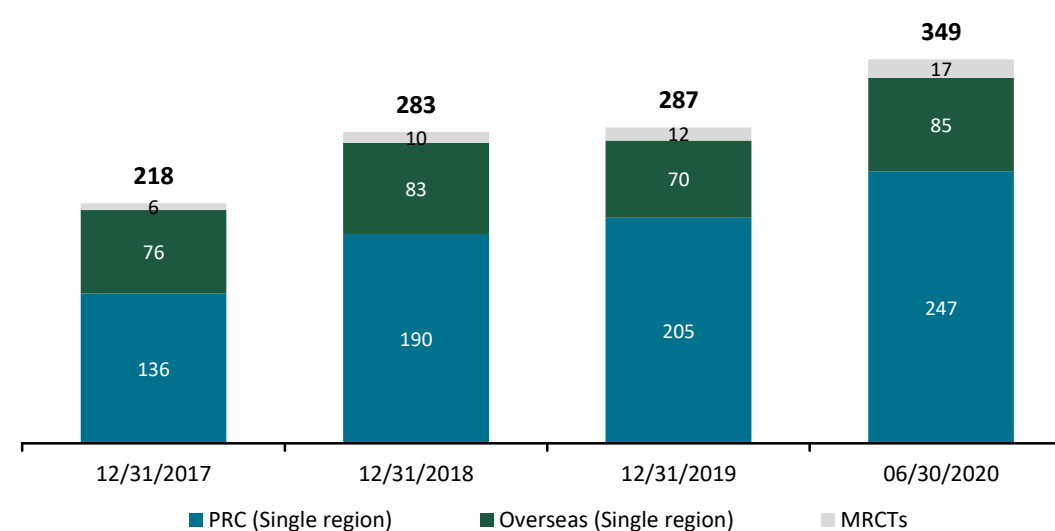
Clinical Trial Solutions (Cont'd)

Project Status Update for Key Business Units

Number of Ongoing Drug Clinical Research Projects by Phase ⁽¹⁾



Number of Ongoing Drug Clinical Research Projects by Region ⁽¹⁾



Medical devices clinical research

- ✓ Completed **60, 91, and 58** medical device clinical research projects in 2017, 2018, 2019
- ✓ **210** ongoing projects as of June 30, 2020

Bioequivalence studies

- ✓ Completed **37, 83, 90** and **22** projects in 2017, 2018, 2019 and as of June 30, 2020
- ✓ **100** ongoing projects as of June 30, 2020

Other Services

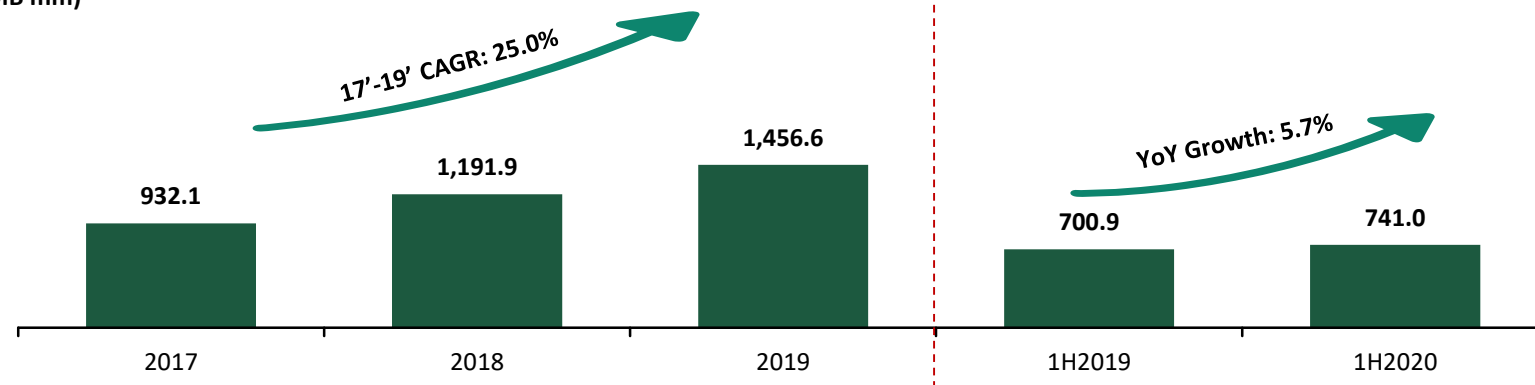
- ✓ Acquisition of Mosim in Jan 2020 with an aim to provide more comprehensive early clinical development services to our clients

(1) As of year/period end
(2) Others primarily consist of IIT studies

Clinical-related and Lab Services

Revenue

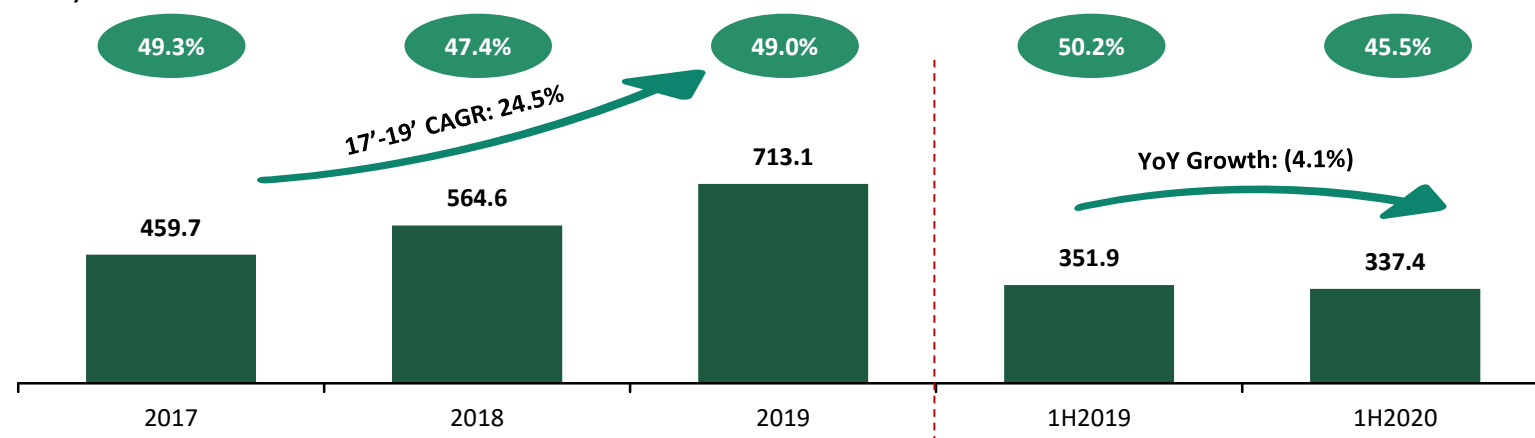
(RMB mm)



- Segment revenue increased 5.7% YoY to RMB741.0m in 1H2020
- Segment revenue growth slowed down primarily due to the impact of COVID-19 outbreak on our services offered in this segment

Gross Profit and Margin

(RMB mm)

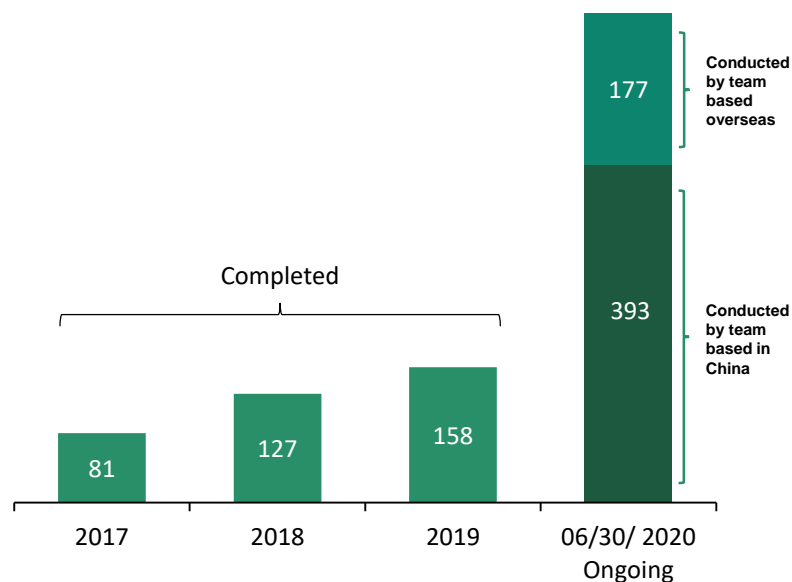


- Decrease in gross profit primarily due to the increased costs related to laboratory facilities and employees and related to site management and patient recruitment employees compared to 1H2019 as we had meaningfully expanded our capacity in these businesses since then
- Decrease in gross margin primarily due to the adverse impact caused by the COVID-19 outbreak to our site management and patient recruitment services and laboratory services under this segment

Clinical-related and Lab Services (Cont'd)

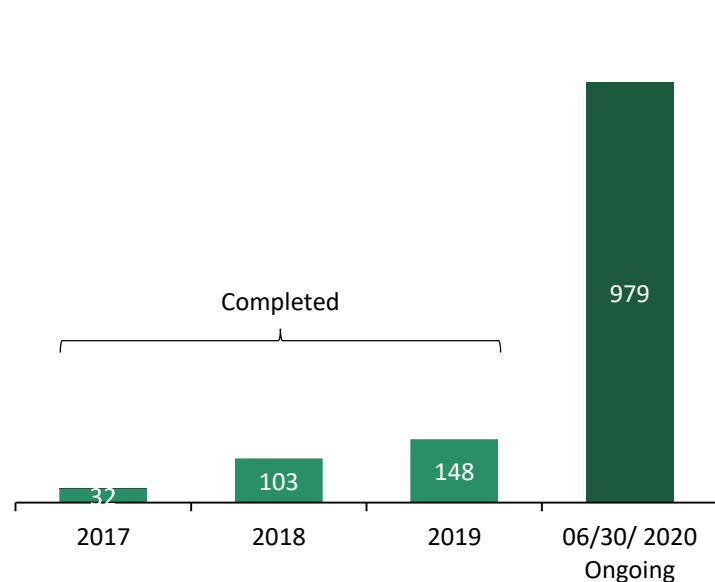
Project Status Update for Key Business Units

Data Management and Statistical Analysis



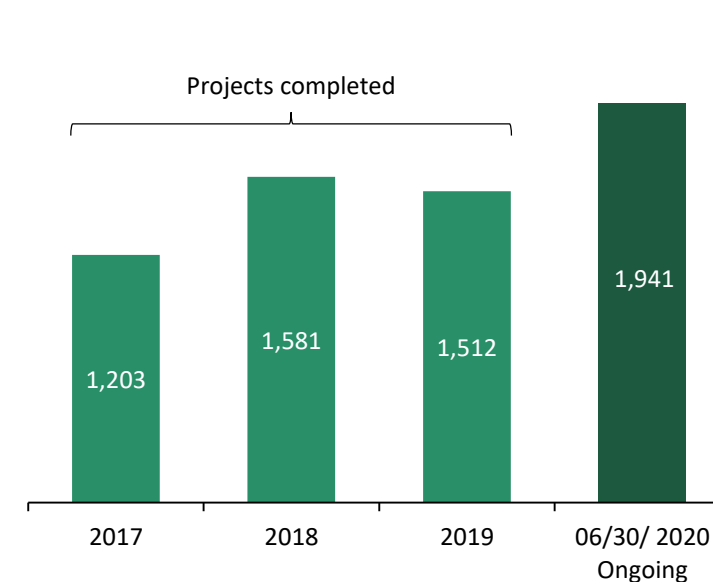
- 570 ongoing data management and statistical analysis as of June 30, 2020 with 393 projects conducted by team based in China and 177 projects conducted by team based overseas

Site Management



- Continue to receive new projects in 1H2020 despite the impact of the COVID-19 outbreak
- Ongoing projects increased from 855 as of 31 December 2019 to 979 as of 30 June 2020

Laboratory Services

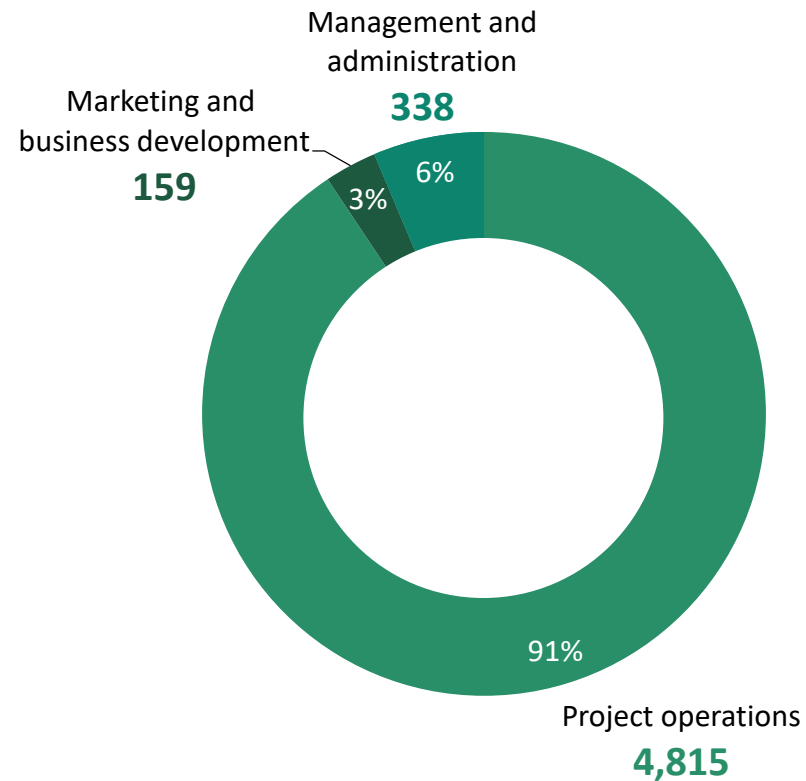


- 1,941 ongoing projects as of June 30, 2020, up from 1,303 as of December 31, 2019 despite the COVID-19 impact in the United States and China
- Added >20,000 sq.m lab space for potential expansion in DMPK and Safety and Toxicity business in March 2020
- Acquired US-based Biotranex in March 2020 to further expand DMPK capabilities into transporter analysis
- Acquired ACME Biosciences in China to entered into drug discovery and early development space

Other Operating Updates

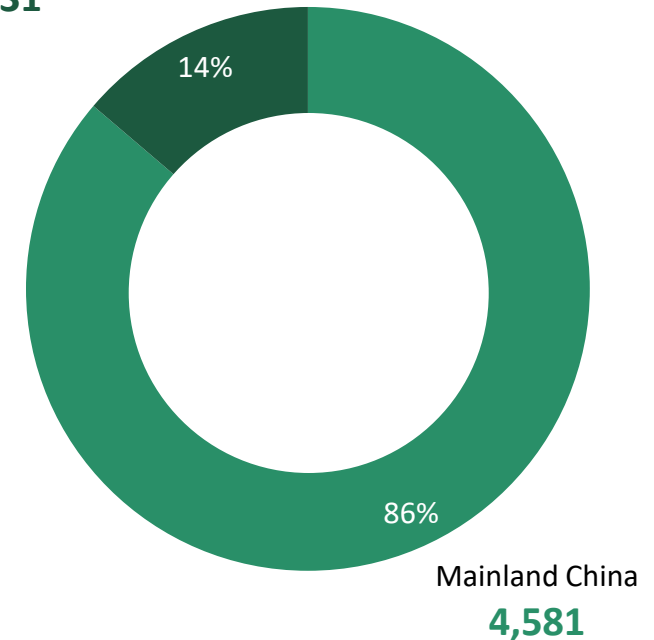
Total employees increased 7.1% to 5,312 as of June 30, 2020 from 4,959 as of December 31, 2019

Employees Mix by Function as of June 30, 2020



Employees Mix by Geography as of June 30, 2020

Overseas, Hong Kong, Macau and Taiwan
731



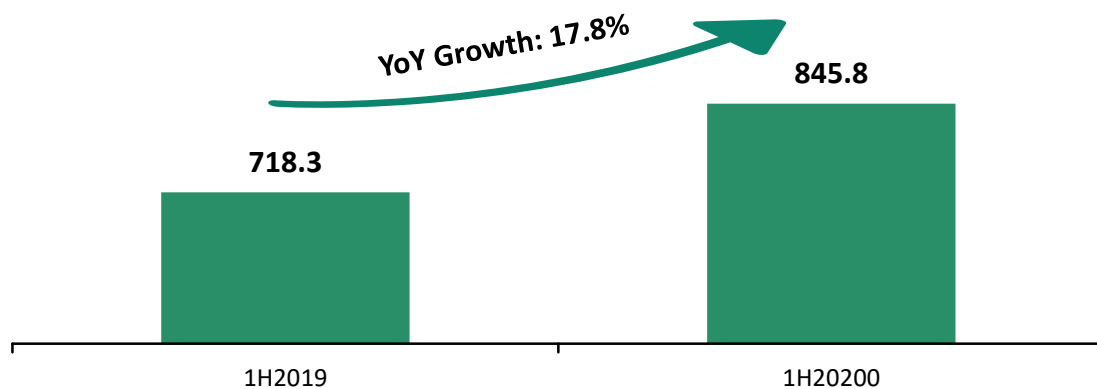
Financial Overview



Revenue Breakdown by PRC and Overseas Markets

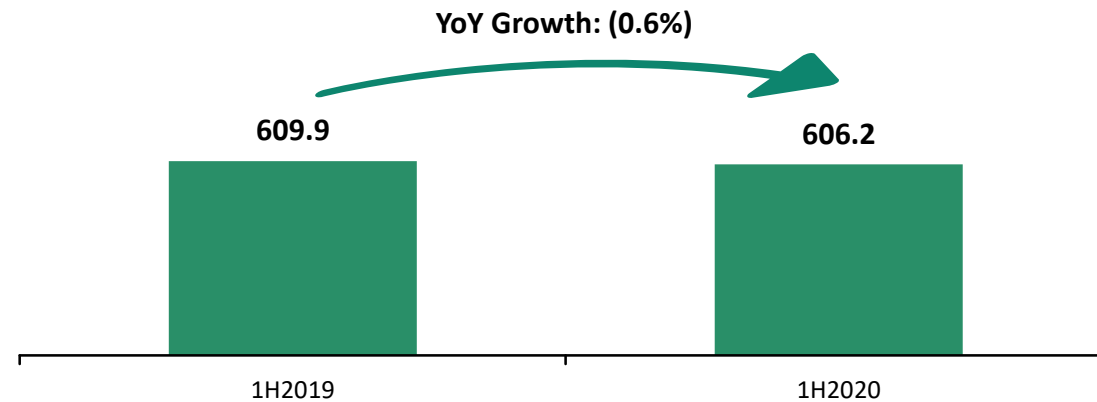
Revenue – China

(RMB mm)

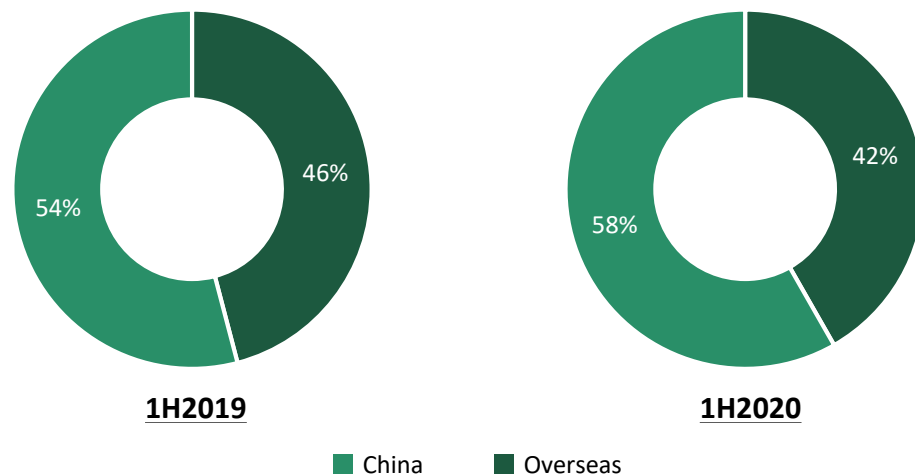


Revenue – Overseas

(RMB mm)



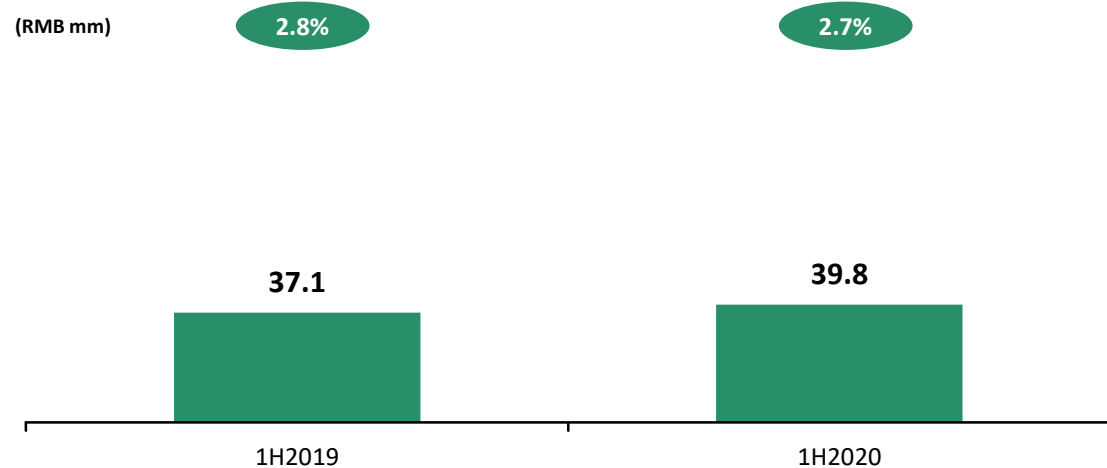
Revenue Breakdown by Region



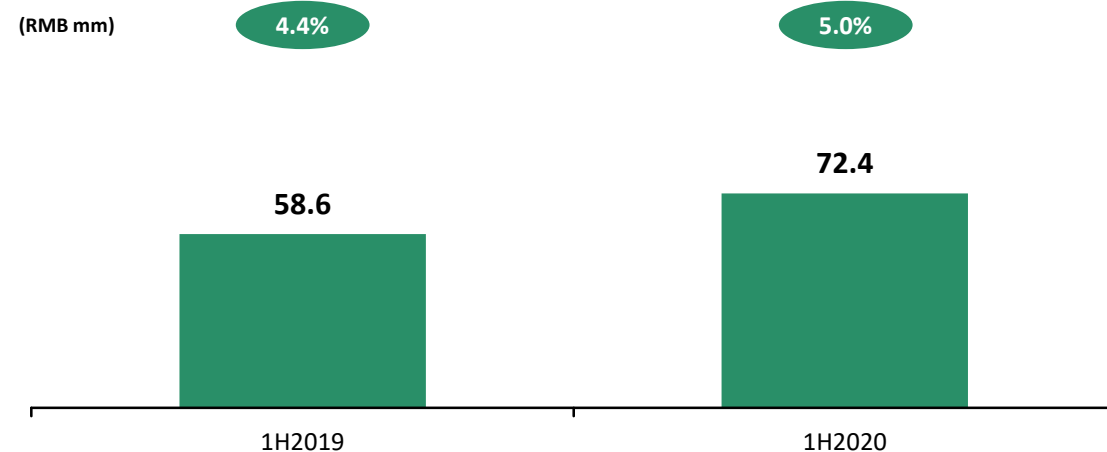
- Overseas revenue decreased by 0.6% year-over-year primarily due to the impact of the COVID-19 outbreak, which caused certain disruptions and lowered the utilization of our laboratory facilities in the United States and delayed certain of our data management and statistical analysis projects or work orders

Operating Expenses

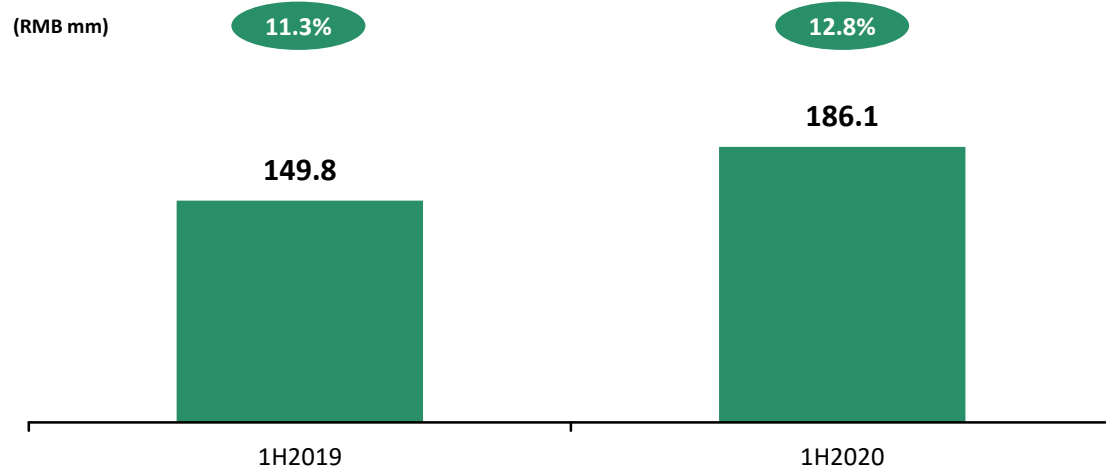
Selling and Marketing Expenses and as % of Revenue



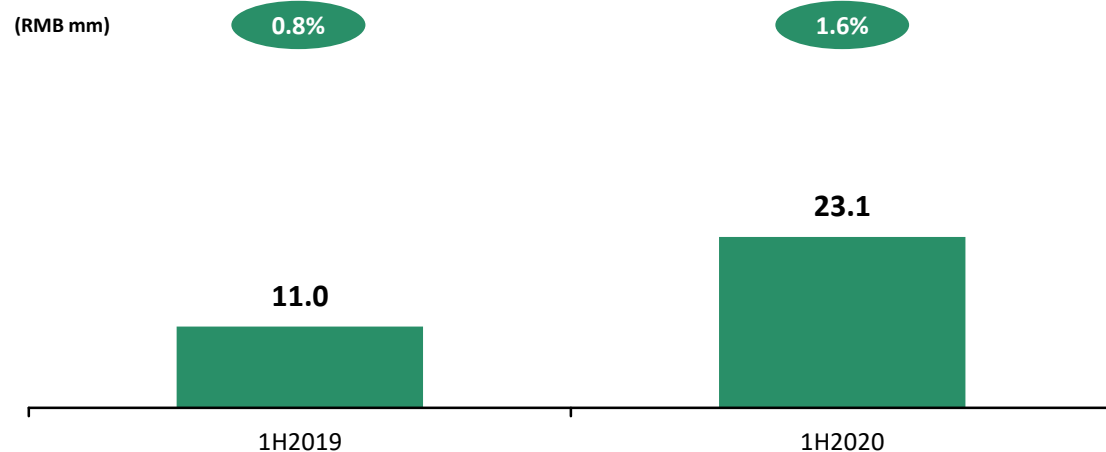
R&D Expenses and as % of Revenue



Administrative Expenses and as % of Revenue



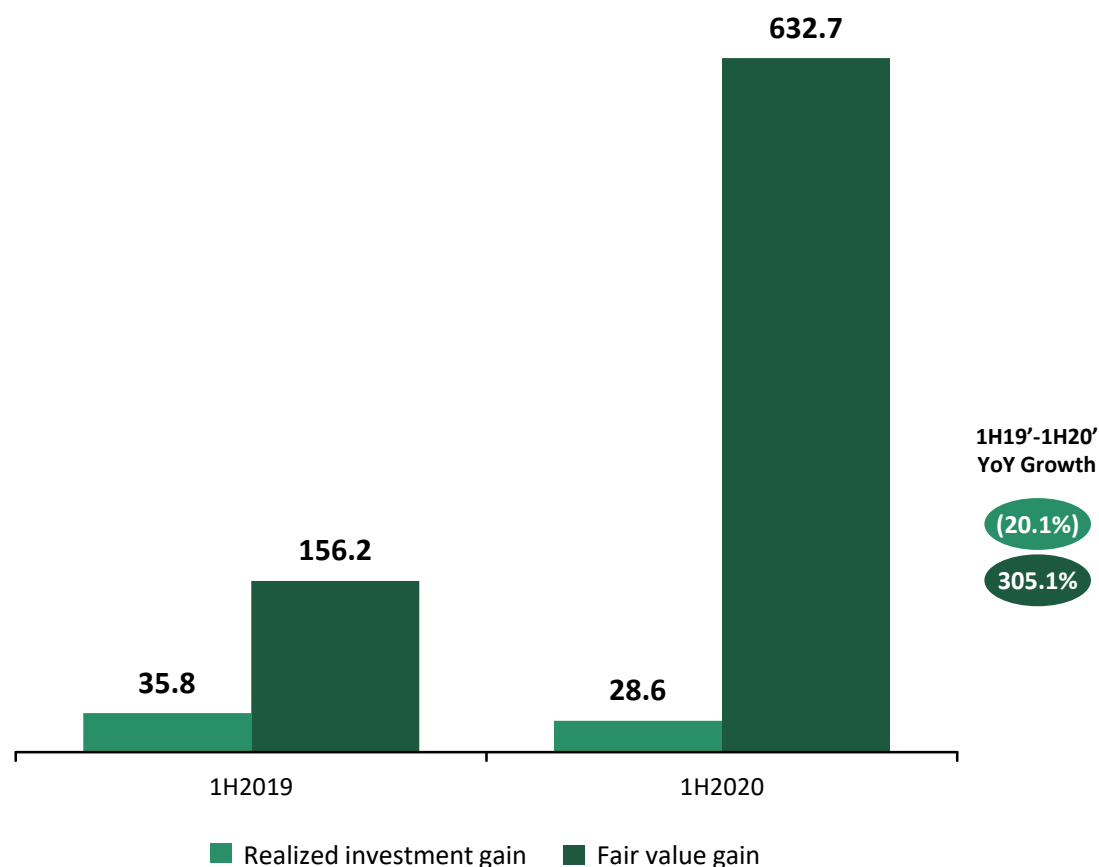
Share-based Compensation and as % of Revenue



Summary of Investment Activities

Realized Investment Gain and Fair Value Gain⁽¹⁾

(RMB mm)



Portfolio includes **57** companies in the healthcare industry and **39** investment funds as of June 30, 2020

RMB 3,240mm balance as of June 30, 2020

Invested **RMB101.2mm** in unlisted equities and **RMB316.6mm** in investment funds during 1H2020

Sizeable fair value gain due to certain portfolio companies becoming public at a valuation that is higher than their recent fair values and their stock prices also increased during the Reporting Period

⁽¹⁾ Realized Investment gain indicates gain on disposal of financial assets at fair value through profit or loss ("FVTPL"); fair value gain indicates change in fair value of financial assets at FVTPL

Corporate Update



Environmental, Social, and Corporate Governance

We have published our 2019 Sustainability Report in both Chinese and English

[illegible]

HONG KONG STOCK EXCHANGE ESG (ENVIRONMENTAL, SOCIAL AND GOVERNANCE) REPORTING GUIDANCE				
				are complying with China's laws and regulations, including the impact of the Region's trade of China, and the impact of the Region's trade of China, and the impact of the Region's trade of China.
E2: Health and Safety	General Disclosure	Information on the company's health and safety management system, including the company's health and safety management system, including the company's health and safety management system.		
	ES1	Number of accidents or cases of occupational injuries	F10	
	ES2	Lost time due to occupational injuries	F10	
E3: Development and Training	General Disclosure	Information on the company's training and development system, including the company's training and development system, including the company's training and development system.		
	ES1	Percentage of employees receiving training or development	F10	
	ES2	Percentage of employees receiving training or development	F10	
E4: Supplier Selection	General Disclosure	Information on the company's supplier selection system, including the company's supplier selection system, including the company's supplier selection system.		
	ES1	Percentage of suppliers receiving training or development	F10	
	ES2	Percentage of suppliers receiving training or development	F10	
E5: Supply Chain Management	General Disclosure	Information on the company's supply chain management system, including the company's supply chain management system, including the company's supply chain management system.		
	ES1	Percentage of suppliers receiving training or development	F10	
	ES2	Percentage of suppliers receiving training or development	F10	
E6: Product Responsibility	General Disclosure	Information on the company's product responsibility system, including the company's product responsibility system, including the company's product responsibility system.		
	ES1	Percentage of products receiving training or development	F10	
	ES2	Percentage of products receiving training or development	F10	
E7: Fair Competition	General Disclosure	Information on the company's fair competition system, including the company's fair competition system, including the company's fair competition system.		
	ES1	Percentage of suppliers receiving training or development	F10	
	ES2	Percentage of suppliers receiving training or development	F10	
E8: Community Relations	General Disclosure	Information on the company's community relations system, including the company's community relations system, including the company's community relations system.		
	ES1	Percentage of suppliers receiving training or development	F10	
	ES2	Percentage of suppliers receiving training or development	F10	

GRI (GLOBAL REPORTING INITIATIVE) INDEX

This report has been prepared in accordance with the GRI Standards: Core option.

	Disclosure items	Page	Note
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Stakeholder engagement	201-23 Approach to stakeholder engagement	998	
	201-24 Key topics and outcomes raised	998	
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	201-26 List of stakeholders	999	
	201-27 Instruments of consultation	999	No information or information
	201-28 Changes in reporting	999	No significant change
	201-29 Reporting period	999	
	201-30 Date of most recent report	999	
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	201-32 Content scope for questions regarding the report	999	
	201-33 Set of questions in accordance with the GRI Standards	999	
	201-34 GRI content index	999	

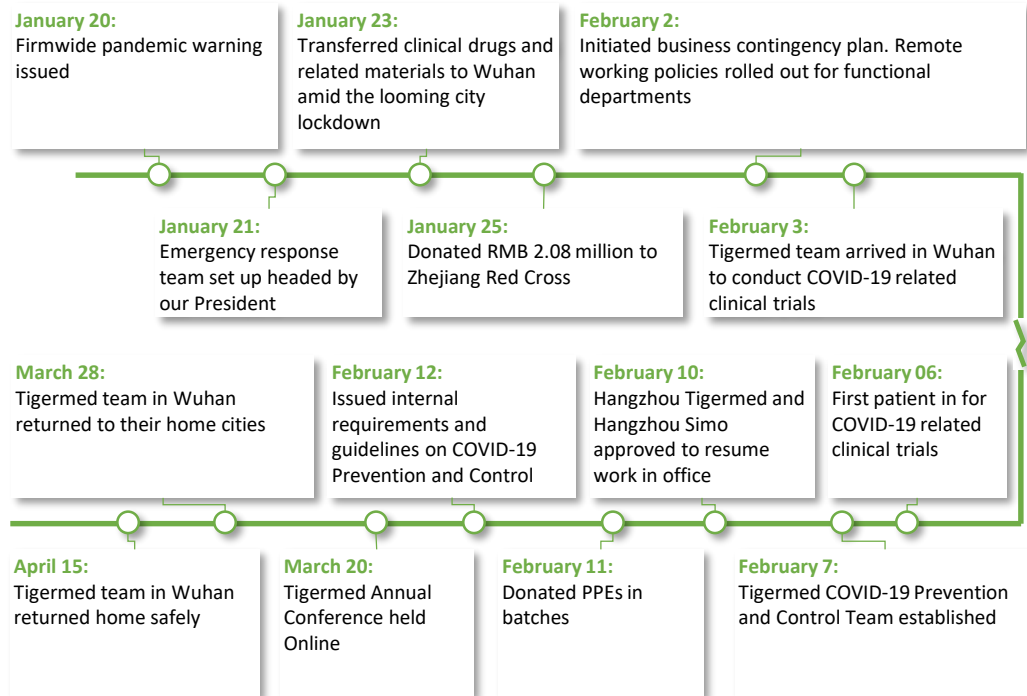
	Disclosure Area	Page	Score
GRI 205 Economic	GRI 205 Management Approach	149	12/12 (100%)
GRI 205 Economic Performance	GRI 205 Direct economic value generated and distributed	149	
	GRI 205 Indirect direct value obligations and other retirement plans	149	
GRI 205 Indirect Economic	GRI 205 Significant economic impacts	149	
	GRI 205 Management Approach	149	
GRI 206 Anti-corruption	GRI 206 Communication and training about anti-corruption policies and procedures	150	
	GRI 206 Incident details: magnitude of corruption and actions taken	150	No corruption
GRI 206 Anti-corruption Indicator	GRI 206 Legal actions taken: competitive bidders, anti-trust, and minority practices	150	No such figures
	GRI 206 Management Approach	149	
GRI 207 Energy	GRI 207 Energy consumption within the organization	150	
GRI 207 Water	GRI 207 Water withdrawn by source	150	
	GRI 207 Water sources: usage efficiency affected by withdrawal of water	150	No such influence
	GRI 207 Direct Scope 1 GHG emissions	150	
	GRI 207 Energy and climate change GHG emissions	150	
GRI 208 Emissions	GRI 208 Indirect use of land emissions	150	
	GRI 208 Fugitive emissions and process, waste, and other significant air emissions	150	
	GRI 208 Waste by type and disposal method	150	
GRI 208 Effluents and Wastewater	GRI 208 Significant spills	150	No significant spills
GRI 209 Environmental Compliance	GRI 209 Compliance with environmental laws and regulations	150	No violation
GRI 405 Society	GRI 405 Management Approach	150-150/151	
	GRI 405 New employee hires and employee turnover	151	
GRI 405 Employment	GRI 405 Benefits provided to full-time employees that are not provided to temporary or part-time employees	150-151	
	GRI 405 Average hours of training per year per employee	151	
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GRI 405 Diversity and Equal Opportunity	GRI 405 Management Approach	150	
	GRI 405 Diversity of governance bodies and employees	150	
	GRI 405 Diversity of faculty and seniorization of workers in firms	150	
GRI 405 Non-Discrimination	GRI 405 Incidents of violations of policies on non-discrimination	150	No discrimination
GRI 405 CHSE Labor	GRI 405 Operations and supplies are significant risk to residents of children	150	No such incidents
GRI 405 Forced or Compulsory Labor	GRI 405 Operations and supplies at significant risk to residents of forced or compulsory labor	150	No such incidents
GRI 405 Rights of Indigenous Peoples	GRI 405 Incidents of violations: involving rights of indigenous peoples	150	No such incidents
GRI 412 Local Communities	GRI 412 Management Approach	150/151	
	GRI 412 Operations with significant actual and potential negative impacts on local communities	151	No such location of operations
GRI 414 Supplier Social Assessment	GRI 414 New suppliers that were screened using social criteria	151	
	GRI 414 Commitments to product and service environmental and labeling	151	
GRI 417 Marketing and Labeling	GRI 417 Incidents of non-compliance concerning product and service information and labeling	151	No such incidents
	GRI 417 Incidents of non-compliance concerning marketing communications	151	No such incidents
GRI 418 Socioeconomic Compliance	GRI 418 Management Approach	150-151	
	GRI 418 Compliance with laws and regulations in the social and economic area	150	No violation

Fighting COVID-19

Tigermed team is at the forefront of the fight against the pandemic

During this unprecedented pandemic, Tigermed has adopted strict requirements firmwide to ensure the safety of our employees. Tigermed has also made fund and PPE donations to the society. Tigermed Team is honored to be able to fight alongside doctors, nurses, scientists, volunteers and many other unsung heroes at the toughest time of the pandemic. Tigermed will continue to do our part with a collective aim to bring this pandemic to an end.

Timeline of Tigermed fighting against COVID-19



Tigermed Team in Wuhan



Tigermmed team fighting COVID-19





300347.SZ
3347.HK

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