



2024 Interim Results

Hangzhou Tigermed Consulting Co., Ltd.
300347.SZ / 3347.HK

August 2024



YEARS ANNIVERSARY

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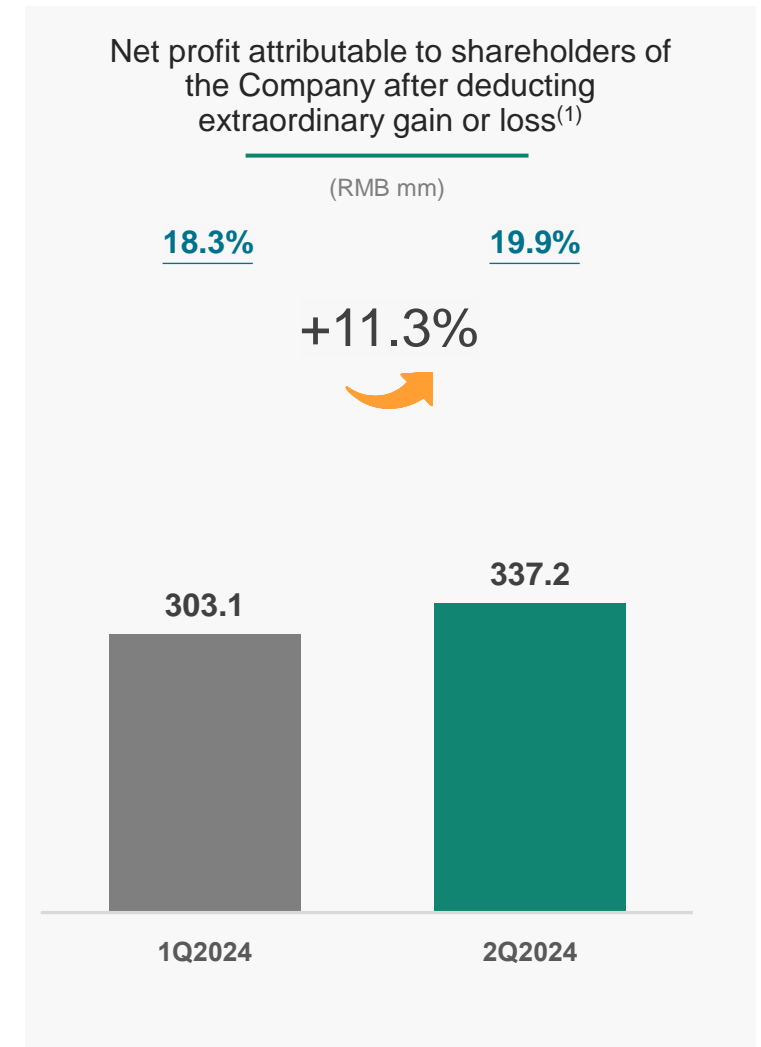
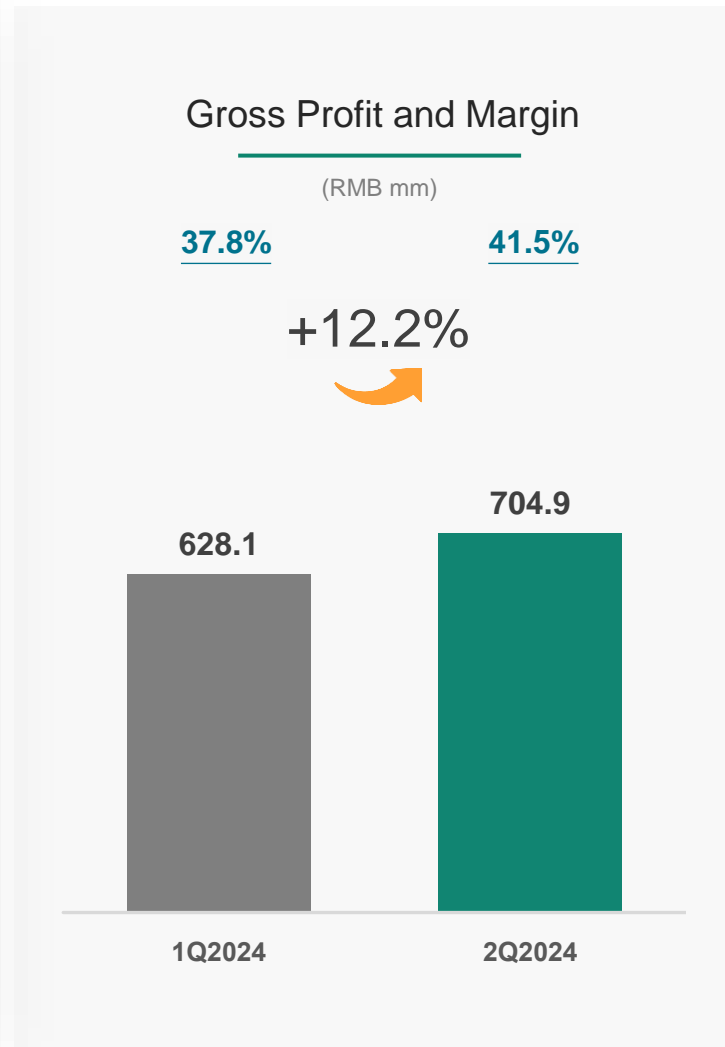
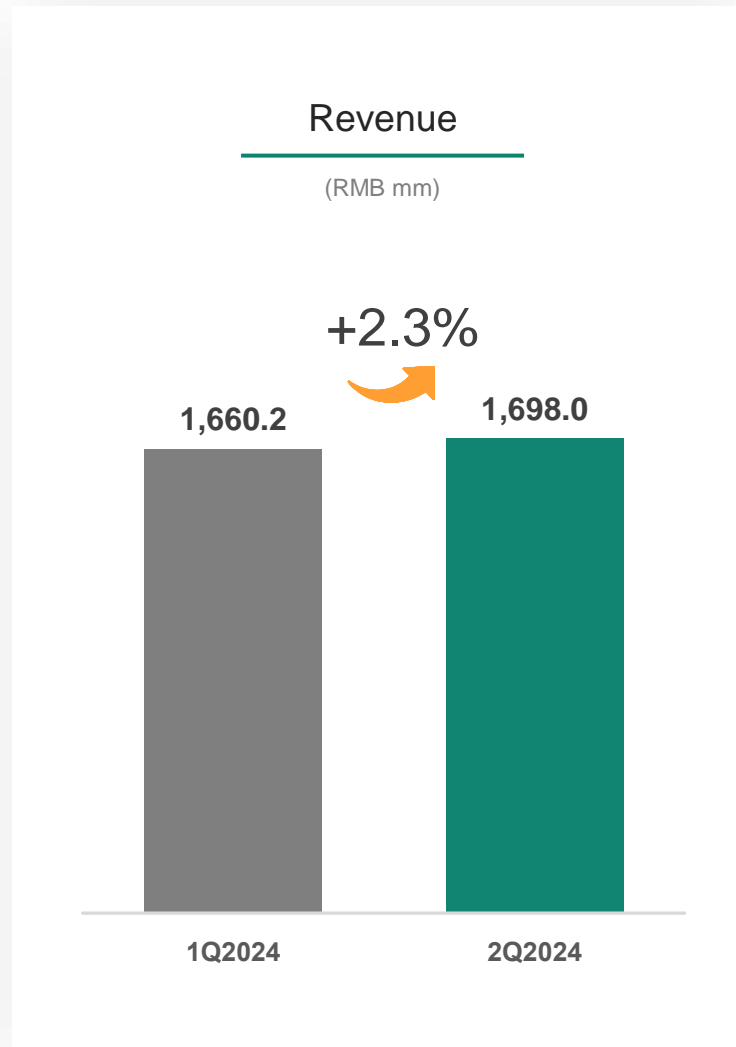
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Interim Results Overview



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Clear QoQ Improvement Seen from Q2 2024 Performance

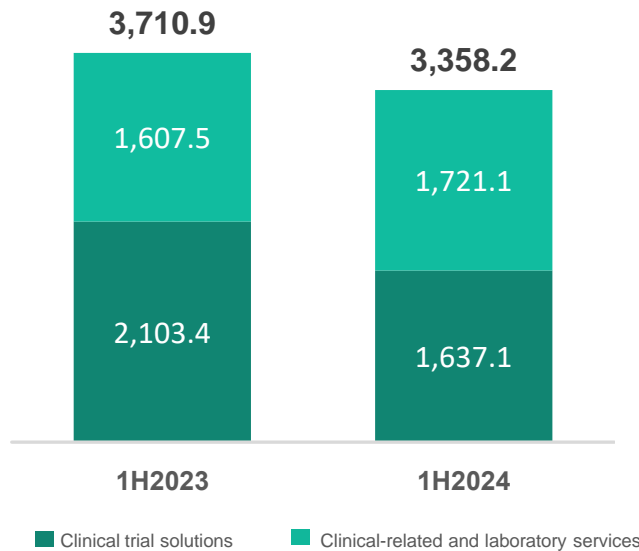


1H2024 Key Financials

Revenue

(RMB mm)

-9.5%



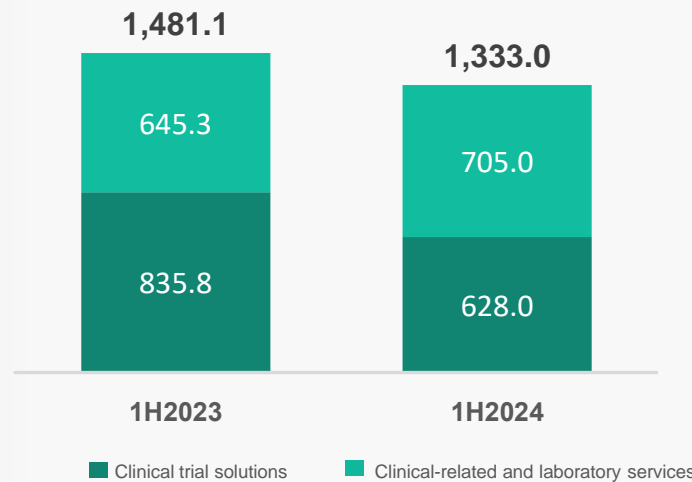
Gross Profit and Margin

(RMB mm)

39.9%

39.7%

-10.0%



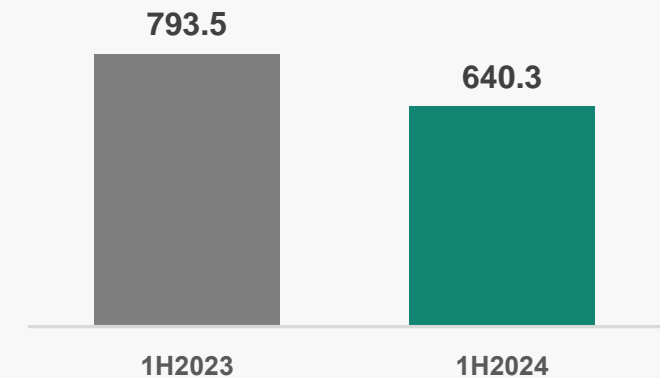
Net profit attributable to shareholders of the Company after deducting extraordinary gain or loss⁽¹⁾

(RMB mm)

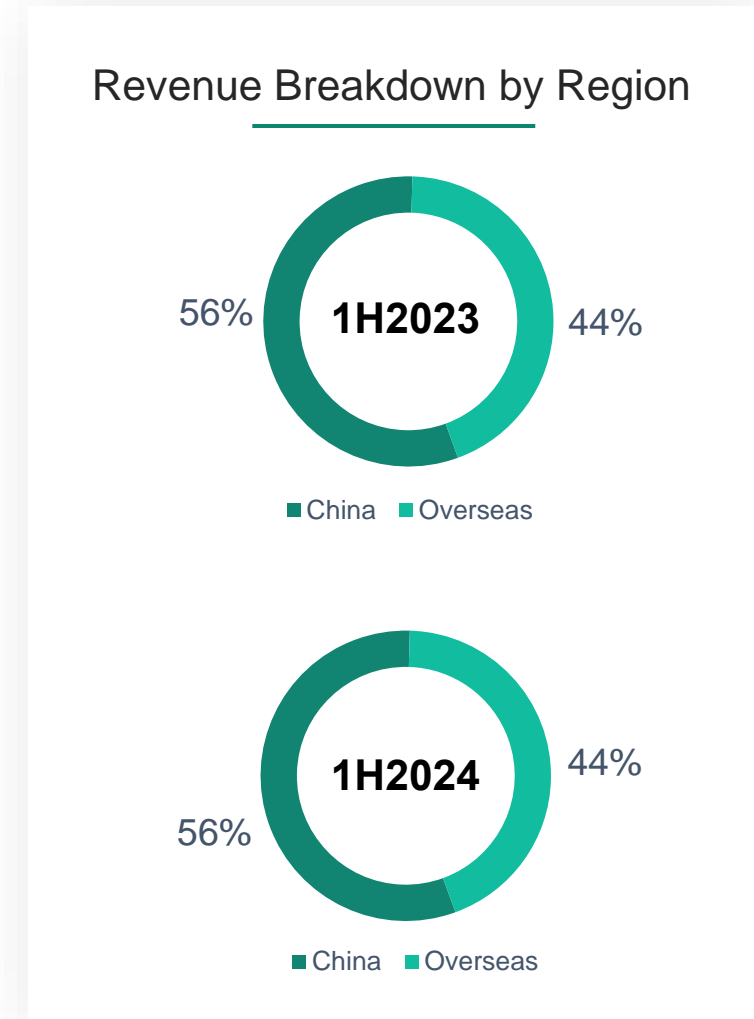
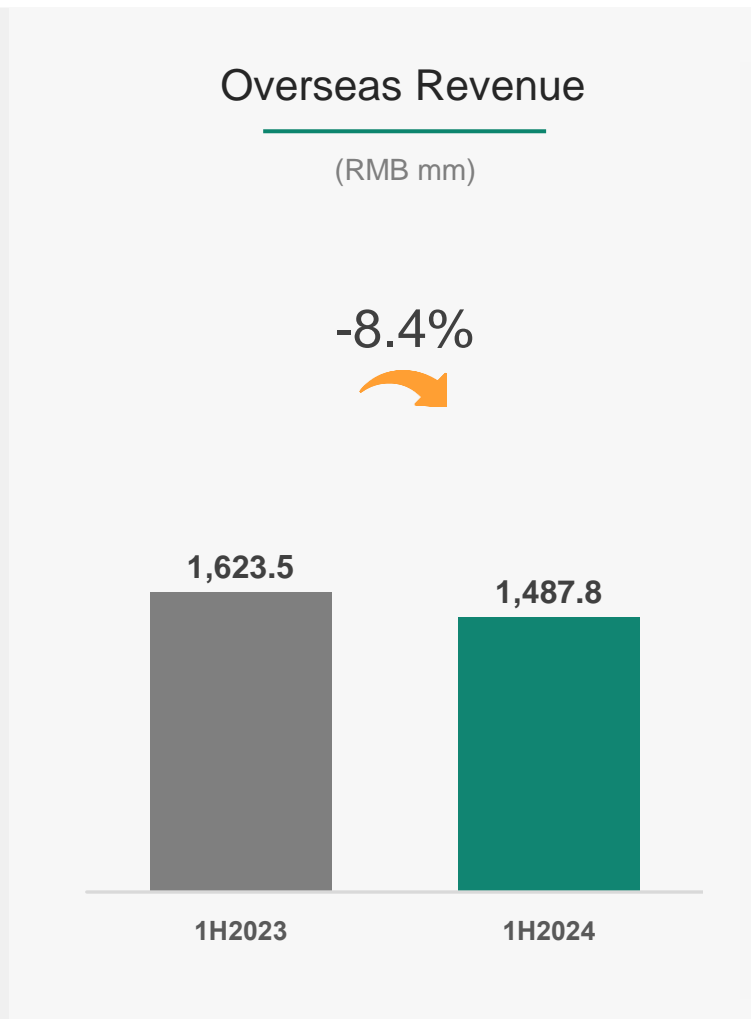
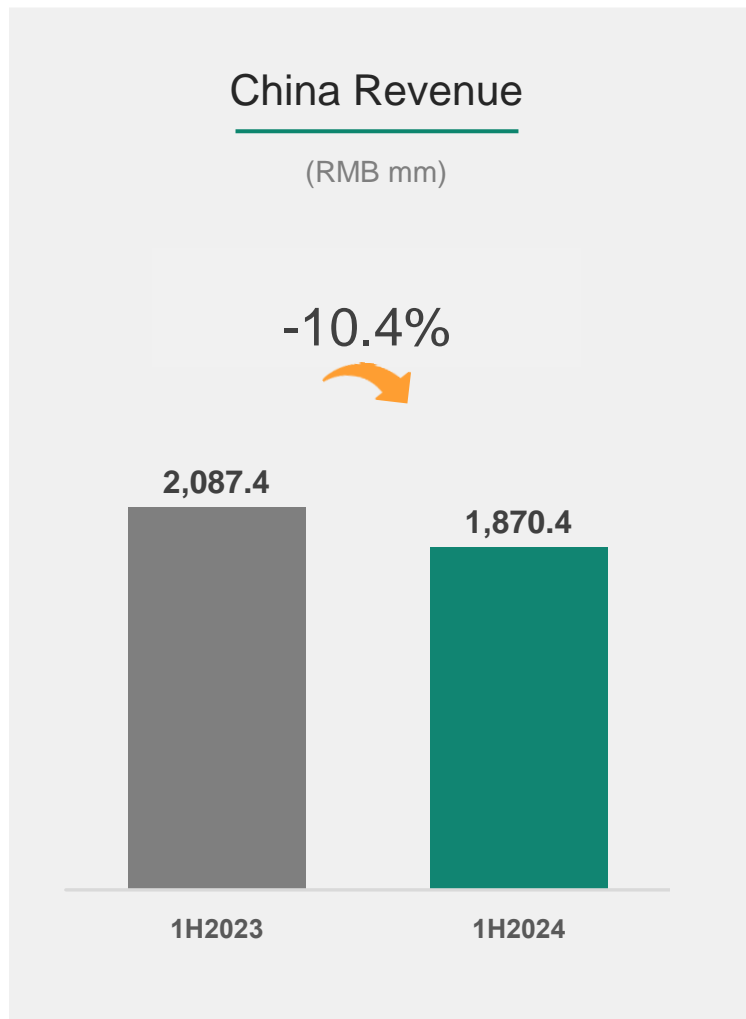
21.4%

19.1%

-19.3%



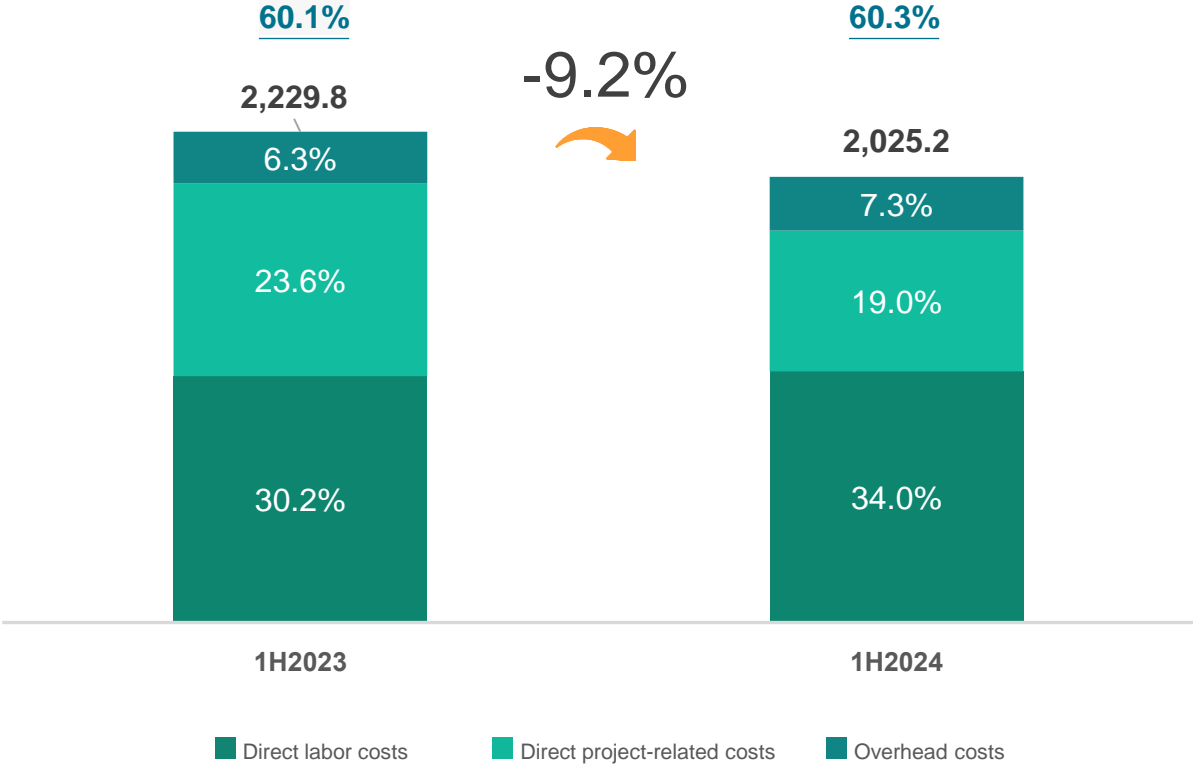
Revenue Breakdown by China and Overseas Markets



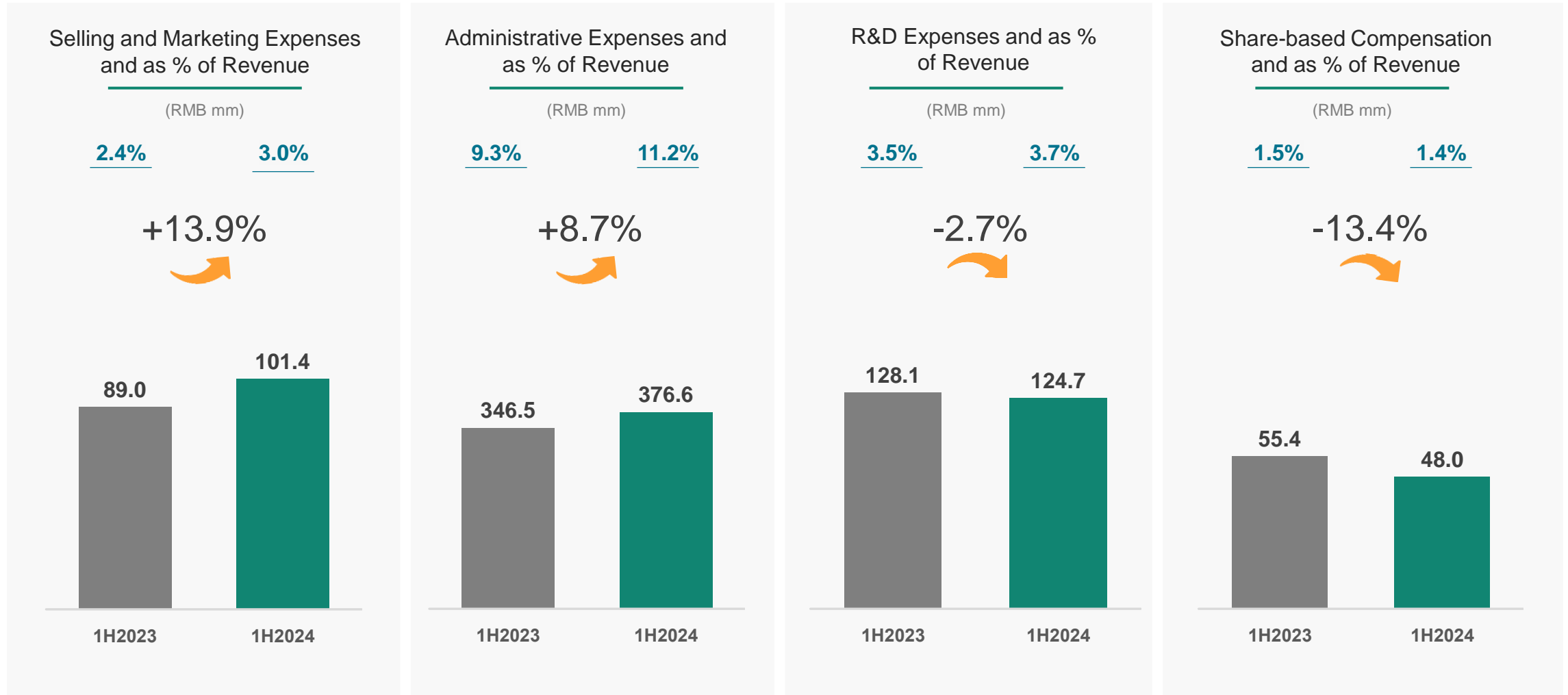
Cost of Services

Cost of Services Breakdown by Nature and as % of Revenue

(RMB mm)



Operating Expenses



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Business Updates

Clinical Trial Solutions (“CTS”)



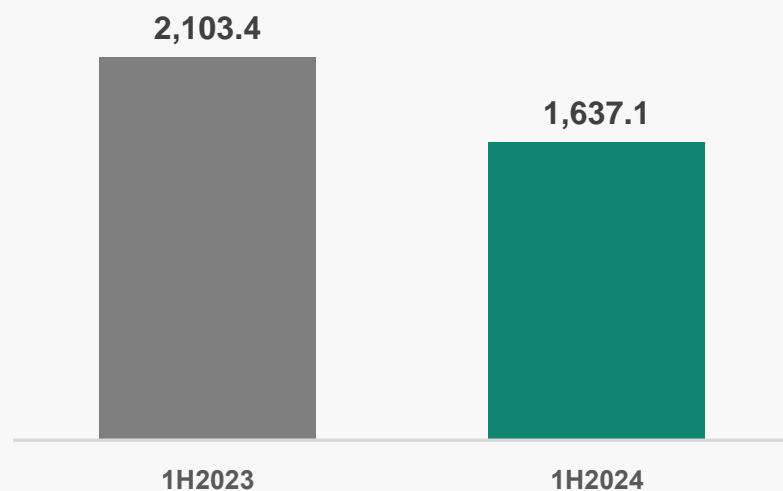
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Clinical Trial Solutions (“CTS”)

Segment Revenue

(RMB mm)

-22.2%



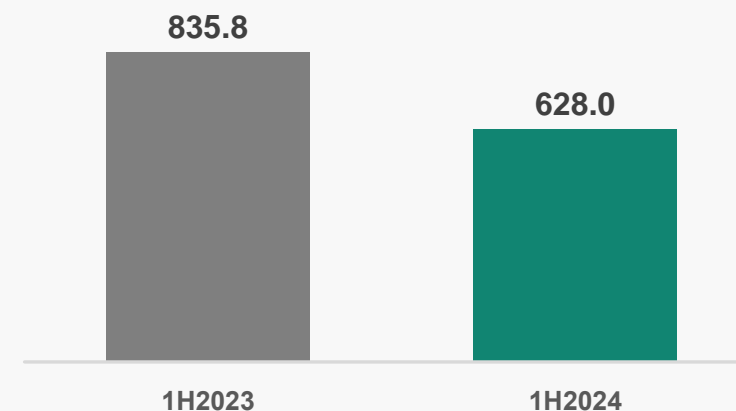
Segment Gross Profit and Margin

(RMB mm)

39.7%

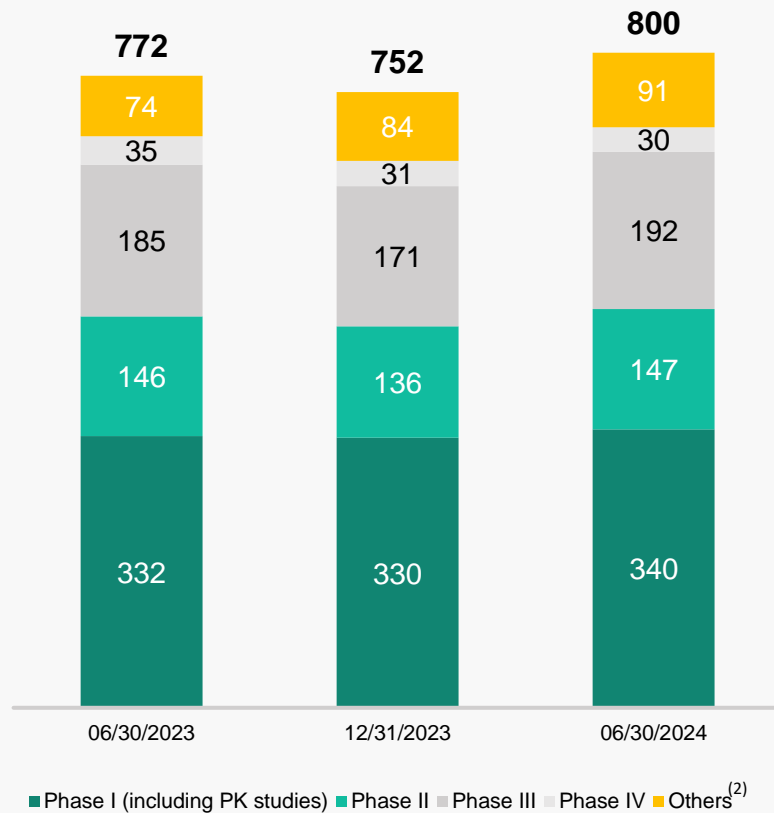
38.4%

-24.9%

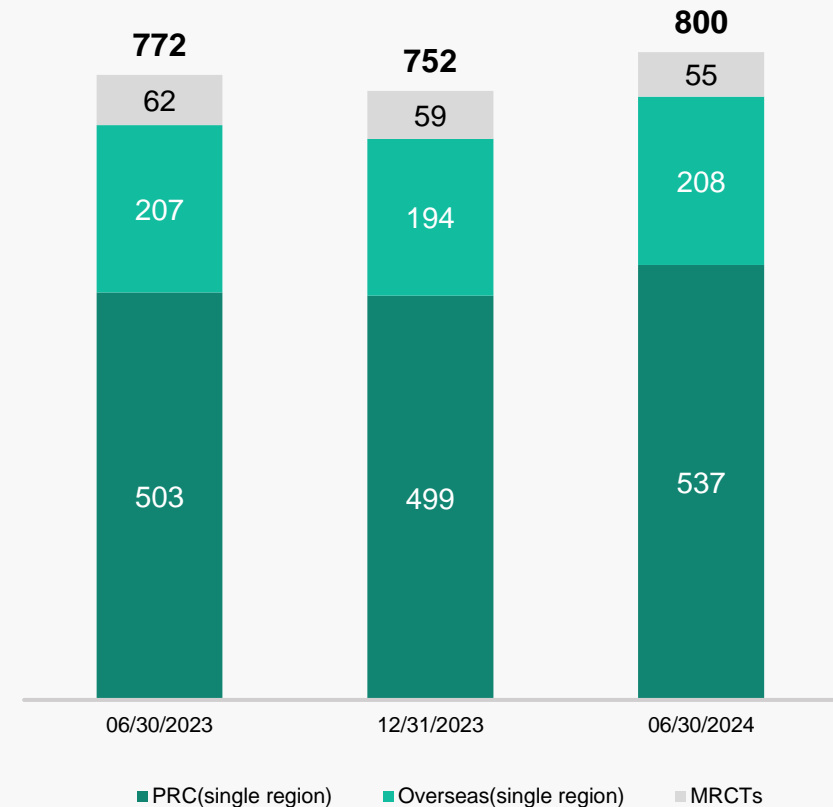


CTS Key Business Updates

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

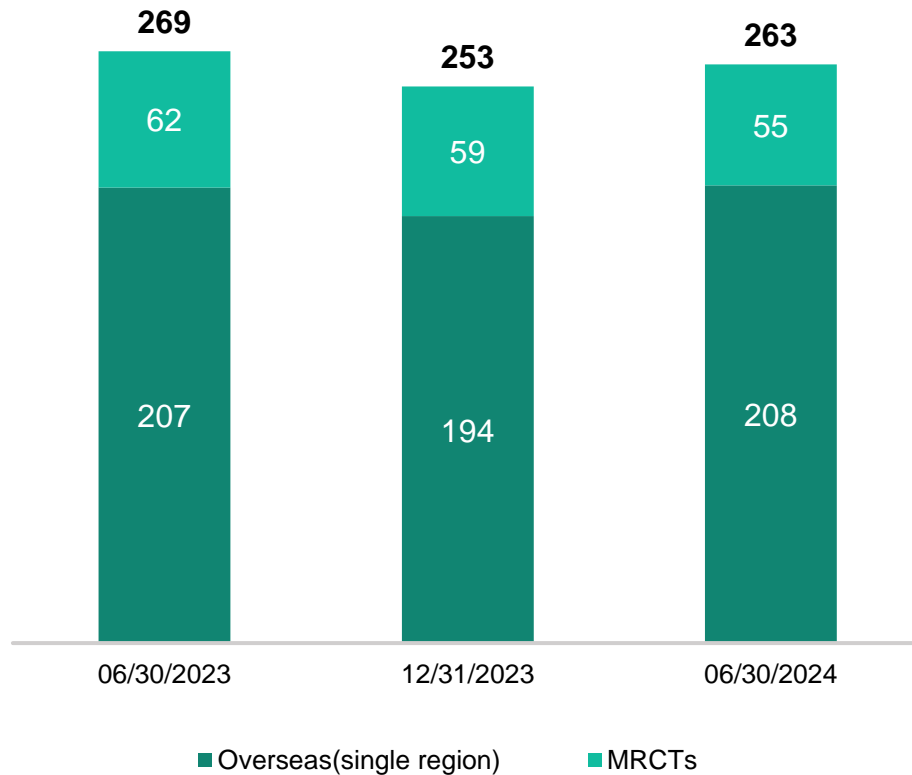


Number of Ongoing Drug Clinical Research Projects by Region⁽¹⁾



Overseas Clinical Operation Business Updates

Number of Ongoing Overseas Drug Clinical Research⁽¹⁾



Total employees reached **9,348**, covering **37** countries including **1,722** employees based overseas

Completed the acquisition of the Japanese CRO **Medical Edge**, further strengthening our DMSA services in Japan and the Asia-Pacific

Provided services for **15** approved Class 1 innovative drugs in China in first half 2024

Global employees in key positions: CRA **1,000+**; CRC **2,800+**; DMSA expert **800+**; laboratory service personnel **1,600+**

Leading position of clinical service market in China, with a market share of **12.8%** in 2023 ⁽²⁾

The only Chinese CRO that is ranked global top 10 in 2023, with a market share of **1.4%**⁽²⁾

As of June 30, 2024, cumulated experience of handling **133** MRCT projects

Focus Strategies to Drive Long-term Growth in 1H2024



Established three business units by therapeutic areas **including Cell and Gene Therapy (CGT), GLP1 Receptors, and Radiopharmaceuticals**, integrating resources and business experience to provide customized R&D strategies and clinical development services



Established the **Clinical Operations Strategy Committee** (临床运营策略委员会) to consolidate relevant resources and experts, enhance the depth of clinical strategies, and effectively increase the success rate of RFPs to promote order conversion



Established a **Solution Business Unit** dedicating to develop long-term strategic cooperation with multinational pharmaceutical companies (MNCs) and provide one-stop solutions for MNCs' China projects



Continue investing in **overseas markets** (US, Australia, Europe, etc.) to establish independent overseas business capabilities and brand presence, and further expand into global projects for foreign customers

Dynamic Industry Trend Observed in China 1H2024

Stable Industry Development

- The Chinese clinical outsourcing service market is expected to maintain a **CAGR of 11%** over the next five years (2024-2028) ⁽¹⁾
- In first half of 2024, the NMPA approved **27** Class 1 innovative drugs, an increase of 4 compared to the same period last year⁽²⁾
- 1,164 clinical trials were publicly announced by the CDE in China in first half 2024, with **15% YoY growth**⁽²⁾
- The total number of newly initiated clinical trials in China in first half 2024 remains the leading position globally⁽³⁾

Strong Policy Support ⁽⁵⁾

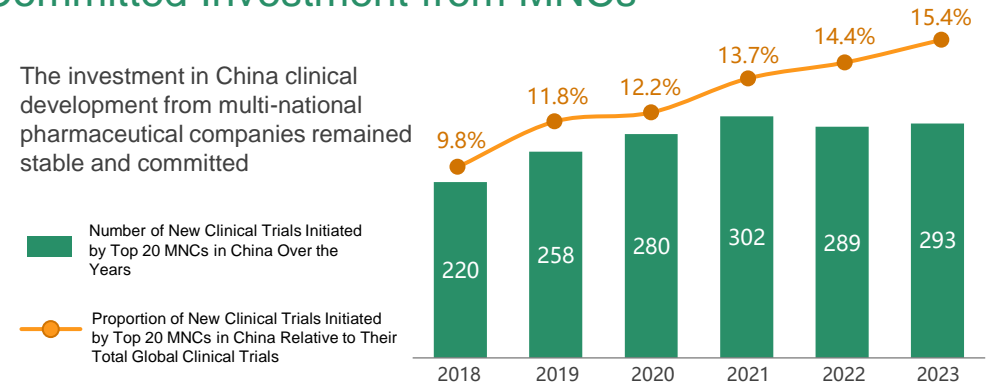
- In July 2024, the State Council executive meeting (国务院常务会议) approved the **"Implementation Plan for Supporting Innovative Drug Development Across the Whole Chain (全链条支持创新药发展实施方案)"** ⁽⁶⁾
- In 2024, "Two Sessions(两会)" **explicitly mentioned the support to** innovative drug development
- New policies released in Beijing, Guangzhou, Zhuhai, Shanghai, and other regions to support biopharmaceutical innovations
- Shanghai established a **100 billion RMB** fund to support the **biopharmaceutical, integrated circuit, and artificial intelligence** industries

Out-Licensing Deals Increasing

- 1H2024, the potential total value of China's innovative drug license-out deals reached **\$24.3 billion**, a YoY **increase of 110%**⁽⁴⁾
- As of Q2 2024, the number of China's innovative drug license-out deals has exceeded the number of license-in deals for six consecutive quarters⁽⁴⁾
- The out-licensing drugs include various innovative products such as ADCs, RNAi therapies, and radiopharmaceuticals, etc.⁽⁴⁾

Committed Investment from MNCs

- The investment in China clinical development from multi-national pharmaceutical companies remained stable and committed



(1) Source: Frost & Sullivan 2024 Report

(2) Source: CDE public information, excluding BE projects; Global data database

(3) Source: Globaldata database

(4) Source: PharmaCube / Tigermed Analysis

(5) Source: Public Information Released by Government Agencies and Official Media

(6) Source: PharmaCube / Tigermed Analysis

Overseas Clinical Operation Business Updates (Cont'd)

North America

- Clinical operation business and new orders in North America continued to grow rapidly, with local **medical monitoring** (MM) and **pharmacovigilance** (PV) teams established in North America
 - As of June 30, 2024, the size of our U.S. clinical operation team reached nearly **100** employees , covering **42** cities in **21** States
 - As of June 30, 2024, we had over **45** ongoing clinical trials in U.S., including more than **25** multi-region clinical trials (MRCTs)
 - Established collaborations with over **700** clinical trial sites in U.S. covering 45 States
-

Asia Pacific

- Completed the acquisition of the Japanese CRO company **Medical Edge**, further strengthening our data management, statistical analysis, and clinical data information system services in Japan and the Asia-Pacific region.
 - As of June 30, 2024, the Southeast Asian clinical operations team had more than **60** employees and **44** ongoing clinical trial projects
-

Europe/Middle East/Africa (EMEA)

- As of June 30, 2024, consolidated **15** subsidiaries and branches spanning from Eastern Europe to Western Europe under unified management of the Tigermed EMEA division
- Conducted more than **100** Phase I-IV clinical trials in Europe, with MRCT experience covering **19** European countries

CTS Key Business Updates

Regulatory Affairs (“RA”)

- As of June 30, 2024, we had a total of **1,121** accumulated RA project experience
- Added **21** new U.S. Food and Drug Administration IND (“FDA IND”) projects, of which **19** of them have successfully filed
- Assisted **2** products to be registered and approved in China, as well as assisted with **29** Investigational New Drug (“IND”)/ MRCT clinical trial filings in multiple countries
- The number of customers increased to **779** as of June 30, 2024, from 720 as of December 31, 2023

Medical Device & IVD

- Acquired the China division of the renowned medical device CRO NAMSA (Nengsheng (Shanghai) Medical Device Technology Consulting Co., Ltd, 能盛(上海)医疗器械科技咨询有限公司) ; signed a strategic cooperation agreement with NAMSA, establishing exclusive cooperation in the China region and global collaboration.
- Assisted in the successful launch of **2** innovative device products (bronchial navigation operation control system, mitral valve clamp system)
- The IVD business has expanded into specialty business areas such as pan-tumor early screening and blood group reagent testing

CTS Key Business Updates (Cont'd)

Pharmacovigilance (“PV”)

- The global pharmacovigilance team has more than **150** employees, established a local PV team in the U.S for the first time
 - As of June 30, 2024, we have more than **250** customers globally, accumulated **900+** project experiences, and served **36** approved Class 1 innovative drugs in China
 - Added **106** newly signed projects and **80** new customers in first half 2024
 - Expanding services in high value-added fields and building a team of high-standard PV doctors
-

Medical Translation

- Added **34** new customers , including 13 pharmaceutical companies and 21 medical device companies in the first half of 2024
- Launched our independently developed medical language model, the second phase of Yiya Intelligent Medical Machine Translation System/Language Service Platform 2.0 (医雅智能医学机翻系统/语言服务平台2.0)
- Provides medical translation services in more than **80** languages, including pharmaceutical, medical device, IVD translation, simultaneous interpretation, and consecutive interpretation, etc.

CTS Key Business Updates (Cont'd)

Decentralized Clinical Trials (“DCT”s)

- Assisted an American MNC pharmaceutical company in obtaining approval in China for a new generation of CGRP receptor antagonists for the treatment of migraines; became a preferred supplier for a European MNC pharmaceutical company
 - Participated in the China Society for Drug Regulation (CSDR) (中国药品监督管理研究会) project on "DCT Practice Case Analysis and Strategy Research"(DCT实践案例分析及策略研究), serving as deputy leader and secretary-general of the project group
 - Completed the implementation of the ESDR (Electronic Source Data Repository) deployment and in-hospital data integration for **3** hospitals using the E2E (eSource to EDC) model
 - As of June 30, 2024, the Company completed **63** Phase I projects (including BE projects) based on the E2E model
-

Clinical Trial Sites of Excellence (“E-Site”)

- As of June 30, 2024, our E-Site Program had **273** E-Site centers and **88** green channel centers, covering 19 major regions across China
- As of June 30, 2024, completed the signing of **77** strategic cooperation centers and the construction of 7 co-centers
- In 2024, focused on establishing in-hospital training systems, providing institutional qualification application services, and conducting clinical research GCP (Good Clinical Practice) training for the E-site centers

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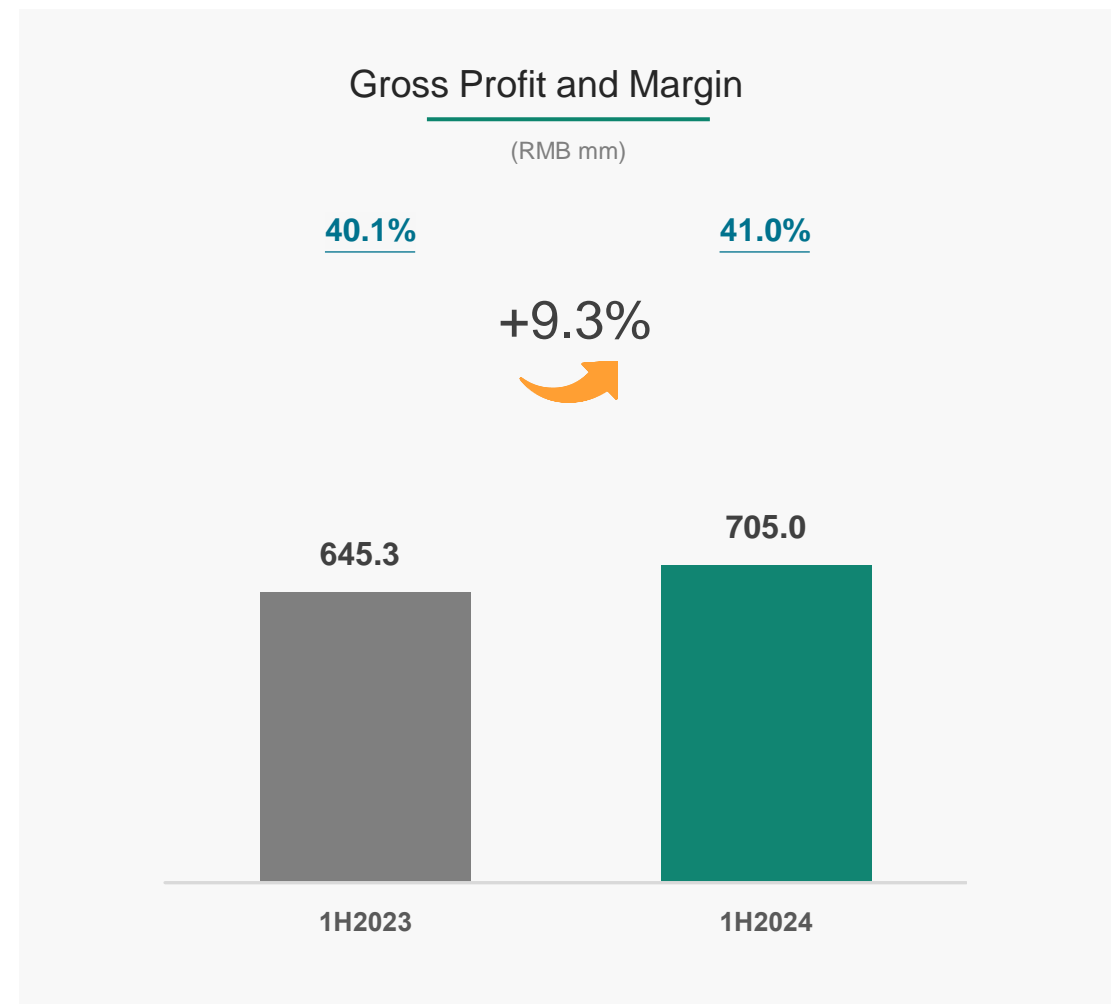
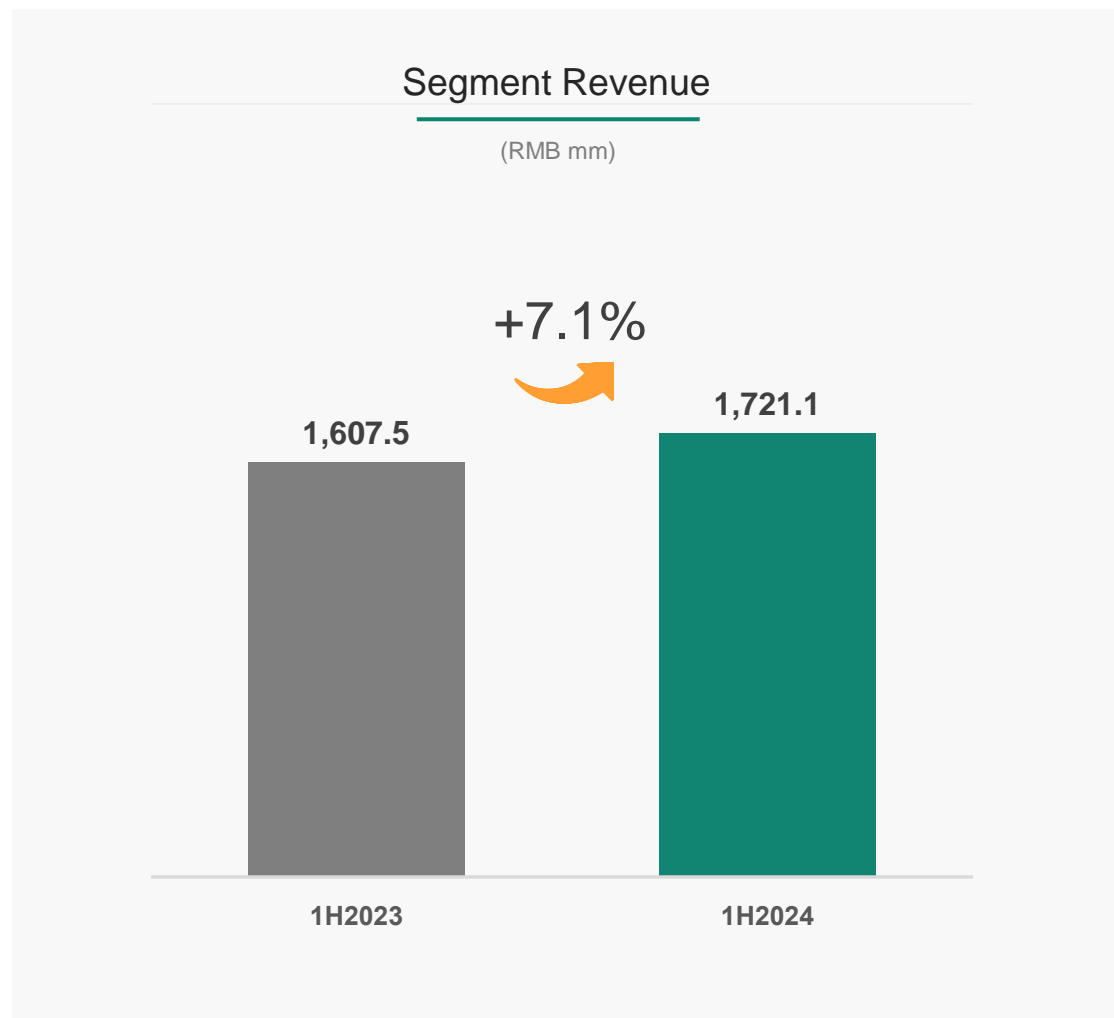
Business Updates

Clinical-related and Lab Services (“CRLS”)



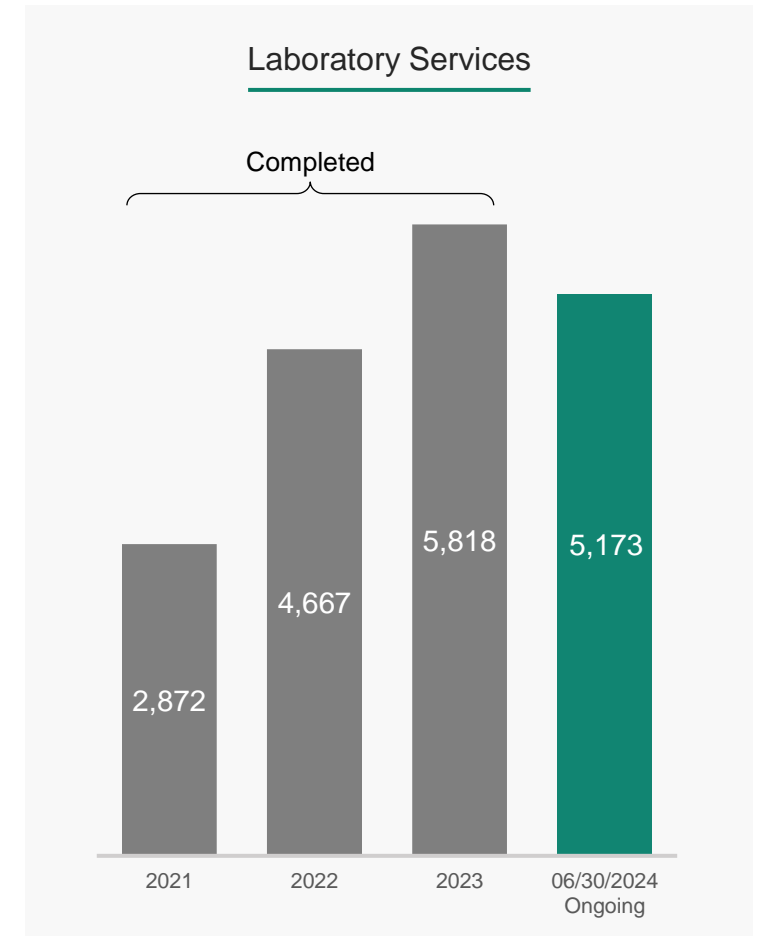
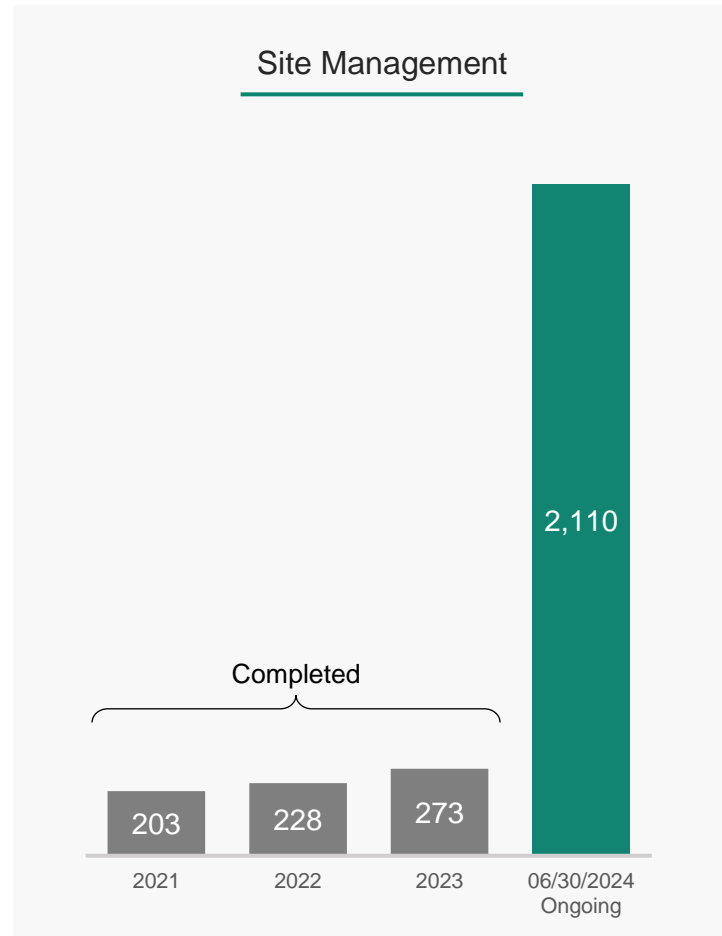
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Clinical-related and Lab Services (“CRLS”)



CRLS Key Business Updates

Project Status for Key CRLS Services



CRLS Key Business Updates (Cont'd)

Data Management & Statistical Analysis (“DMSA”)

- Assisted **11** new drugs approvals in China, U.S., and Japan in first half 2024
 - Established a data science team consisting of 25 employees, mainly responsible for data-related tool development, quality solutions, new business scenario development, etc.
 - Independently developed RBQM (risk-based quality management system) Phase 1 platform has **obtained China's patent**
 - As of June 30, 2024, our DMSA global team had over **800** professionals
 - As of June 30, 2024, we had more than **330** DMSA customers, and **824** ongoing DMSA projects
-

Laboratory Services

- Our subsidiary --- Frontage Holdings, acquired a preclinical DMPK and bioanalytical laboratory in Nerviano (Italy), expanding its pharmacodynamics and analytical business in Europe
- A subsidiary of Frontage Holdings, Frontage Pharmaceuticals (方达制药), established an integrated process and services platform for drug R&D, clinical trial drug/placebo production, and clinical supply of drugs
- As of June 30, 2024, Frontage had successfully passed more than **200** on-site inspections by the China NMPA and the US FDA

CRLS Key Business Updates (Cont'd)

Site Management (“SMO”)

- As of June 30, 2024, we completed **165** site management projects and **2,110** ongoing site management projects
- In first half 2024, new orders achieved **34%** YoY growth, and the proportion of international MNC and leading biotech companies continued to increase
- As of June 30, 2024, there were over **2,800** CRCs, covering over 1,100 hospitals and clinical trial centers in more than **140** cities across China, with 15 branches
- In first half 2024, we provided SMO services to **9** approved Class 1 innovative drugs in China

Independent Central Imaging

- As of June 30, 2024, we added more than **10** new clients, covering multiple disease fields such as respiratory system, digestive system, hematological system, nervous system, ophthalmology, etc.
- We successfully assisted in the approval of **3** new drugs, and the submission of **4** project filings in first half 2024
- We have successfully submitted **42** projects to EMA/PMDA/NMPA for filing, of which 27 projects have been approved

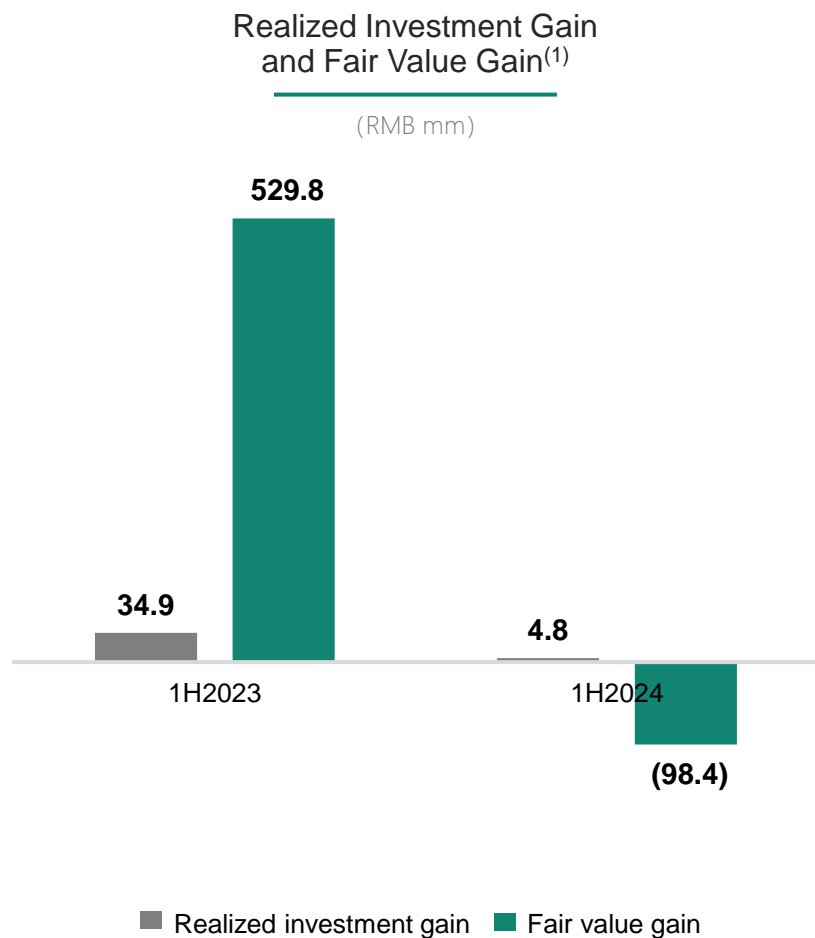
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Other Updates



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Updates of Investment Activities

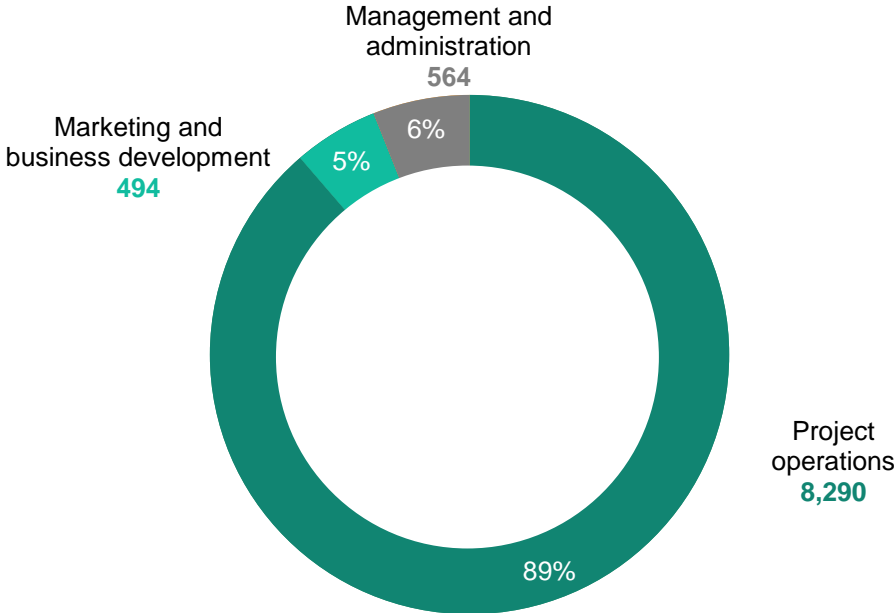


- Portfolio included 181 companies in the healthcare industry and 61 investment funds as of June 30, 2024
- RMB 10,549.6 mm balance as of June 30, 2024
- Invested RMB 317.0 mm in unlisted equities; and RMB 180.1 mm in investment funds in 1H2024
- Received RMB 300.0 mm cash from investment exits in 1H2024
- In 1H2024, we realized a gain of RMB 69.3 million from exiting our portfolio companies and funds, as measured by the exit amount against our initial investment cost

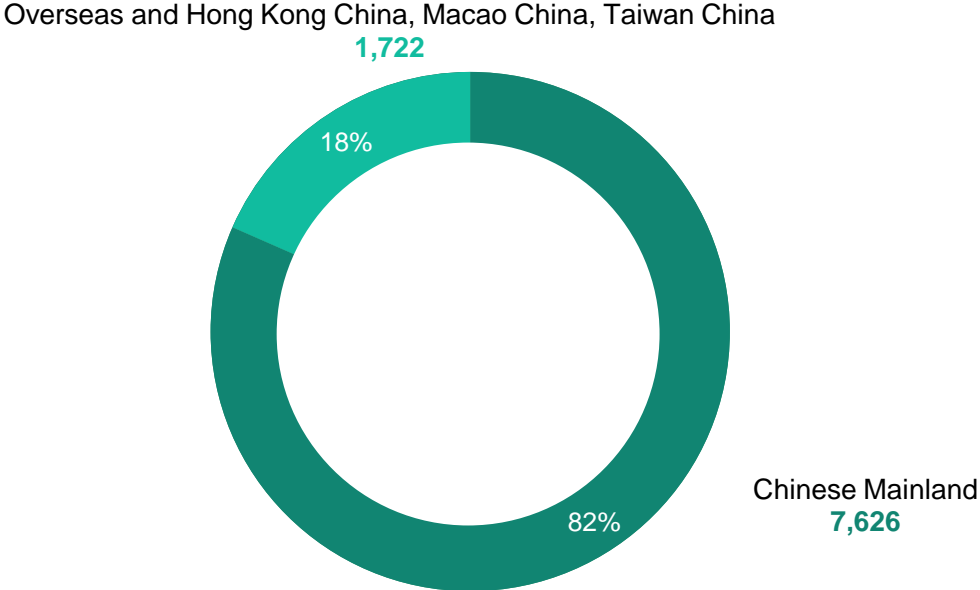
Employee Base

The number of our employees slightly decreased to **9,348** as of June 30, 2024 from **9,701** as of Dec 31, 2023

Employees Mix by Function⁽¹⁾



Employees Mix by Geography⁽¹⁾



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Appendix



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Consolidated Statement of Profit or Loss

(RMB 000s)	Six months ended June 30,	
	2023	2024
I . Total Revenue	3,710,850	3,358,244
Including: Operating Revenue	3,710,850	3,358,244
Interest Revenue	-	-
Premium earned	-	-
Fees and commission income	-	-
II . Cost of services	(2,720,025)	(2,626,270)
Including: Operating cost	(2,229,763)	(2,025,197)
Business tax and surcharge	(14,805)	(14,494)
Selling and Marketing Expenses	(88,998)	(101,378)
Administrative Expenses	(346,471)	(376,616)
Research and development expenses	(128,082)	(124,694)
Finance costs	88,094	16,109
Add: Other income	8,896	17,349
Investment income (losses are expressed by "-")	98,902	70,743
Gain from fair value change (losses are expressed by "-")	529,758	(98,403)
Credit impairment loss (losses are expressed by "-")	(21,559)	(27,659)
Asset impairment loss (losses are expressed by "-")	(8,218)	(8,425)
Gain on disposal of assets (losses are expressed by "-")	(6)	1,490
III . Operating Profit (losses are expressed by "-")	1,598,598	687,069
Add: Non-operating income	4,550	4,950
Less: Non-operating expenses	4,003	1,926
IV . Total profits (total losses are expressed by "-")	1,599,145	690,093
Less: Income tax expenses	191,055	132,514
V . Net profits (net losses are expressed by "-")	1,408,090	557,579
Net profits attributable to owners of the parent	1,388,337	492,849
Non-controlling interests	19,753	64,730

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

	Six months ended June 30,	
(RMB 000s)	2023	2024
Profit attributable to owners of the Company	1,388,337	492,849
Adjusted for:		
Loss/(gain) from disposal of non-current assets ⁽¹⁾	6	(1,490)
Government grants ⁽²⁾ included in the profit or loss for the period	(8,452)	(17,526)
Gain on entrusting to invest or manage assets	(326)	(21,647)
(Gain) /Loss arising from changes in fair value of financial assets and financial liabilities held and loss/(gain) arising from the disposal of financial assets and financial liabilities ⁽³⁾	(618,881)	52,541
Share-based payment expenses recognized at one time due to cancellation or modification of the share incentive schemes	-	34,508
Other non-operating income and expenses apart from the above items	3,291	660
Effect of income tax	23,516	33,572
Effect of minority interests (after tax)	5,983	66,858
Net profit attributable to shareholders of the Company after deducting extraordinary gain or loss	793,474	640,325

Notes

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

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

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

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

Consolidated Statement of Financial Position

(RMB 000s)

	As of December 31, 2023	As of June 30, 2024
NON-CURRENT ASSETS	18,336,601	22,770,481
Long-term equity investments	2,977,028	3,518,375
Other equity instrument investments	14,508	9,872
Other non-current financial assets	10,231,702	10,497,205
Fixed assets	638,751	608,338
Construction in progress	324,278	472,628
Right-of-use assets	509,578	456,869
Intangible assets	371,130	345,000
Goodwill	2,764,188	2,799,342
Long-term prepaid expenses	213,751	197,937
Deferred tax assets	134,791	123,325
Other non-current assets	156,896	3,741,590
CURRENT ASSETS	11,344,141	7,646,635
Cash at bank and on hand	7,419,992	3,172,620
Financial assets held for trading	42,138	42,518
Notes receivables	214	13,645
Accounts receivables	1,260,700	1,332,912
Advances to suppliers	56,546	86,532
Other receivables	79,578	105,961
Inventories	23,398	22,137
Contract assets	2,364,435	2,811,793
Other current assets	97,140	58,517

Consolidated Statement of Financial Position (Cont'd)

(RMB 000s)

	As of December 31, 2023	As of June 30, 2024
CURRENT LIABILITIES	4,138,736	5,332,416
Short-term borrowings	1,969,694	2,767,059
Notes payables	-	3,399
Accounts payables	249,308	227,113
Contract liabilities	680,489	772,246
Employee benefits payable	357,979	233,447
Taxes payable	220,759	158,162
Other payables	78,673	594,906
Current portion of non-current liabilities	563,595	555,727
Other current liabilities	18,239	20,357
NON-CURRENT LIABILITIES	1,088,444	1,017,224
Long-term borrowings	434,223	404,818
Lease liabilities	423,109	386,755
Long-term employee benefits payable	2,539	2,476
Deferred income	14,594	14,463
Deferred tax liabilities	213,979	208,712
NET ASSETS	24,453,562	24,067,476
TOTAL EQUITY	24,453,562	24,067,476
Share capital	872,418	864,949
Capital surplus	11,708,835	10,776,919
Treasury Stock	(869,337)	(180,796)
Other comprehensive income	103,535	91,214
Surplus reserve	436,529	436,529
Undistributed profits	8,774,795	8,776,353
Total equity attributable to equity owners of the Company	21,026,775	20,765,168
Minority interests	3,426,787	3,302,308



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