太美医疗科技

Zhejiang Taimei Medical Technology Co., Ltd.

浙江太美醫療科技股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2576)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2025

The Board hereby announces the unaudited consolidated interim results of the Group for the six months ended June 30, 2025, together with comparative figures for the six months ended June 30, 2024.

FINANCIAL HIGHLIGHTS

	Six months Ended June 30,				
	2025		2024		*Year-on-year change*
	RMB'000	***% of Revenue***	*RMB'000*	*% of Revenue*	*(%)*
Revenue	**244,221**	**100.0**	272,784	100.0	-10.5
Gross profit	**100,188**	**41.0**	110,944	40.7	-9.7
Operating loss	**(48,710)**	**-19.9**	(191,995)	-70.4	-74.6
Loss for the period	**(29,309)**	**-12.0**	(175,317)	-64.3	-83.3
Adjusted net loss (non-IFRS measure)[(1)]	**(28,696)**	**-11.8**	(49,253)	-18.1	-41.7

(1) See the section headed "Adjusted net loss (non-IFRS measure)" for more information about the non-IFRS Accounting Standards measures.

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended June 30, 2025

	Note	Six Months Ended June 30,	
		2025	2024
		RMB'000	*RMB'000*
		(Unaudited)	*(Unaudited)*
Revenue	*4*	**244,221**	272,784
Cost of sales	*5*	**(144,033)**	(161,840)
Gross profit		**100,188**	110,944
Selling expenses	*5*	**(37,573)**	(51,158)
Administrative expenses	*5*	**(57,679)**	(217,186)
Research and development expenses	*5*	**(37,705)**	(50,924)
Net impairment losses on financial and contract assets		**(5,454)**	(1,344)
Other income		**2,445**	9,824
Other (losses)/gains – net		**(12,932)**	7,849
Operating loss		**(48,710)**	(191,995)
Finance income		**19,980**	16,929
Finance cost		**(579)**	(251)
Finance income – net		**19,401**	16,678
Loss before income tax		**(29,309)**	(175,317)
Income tax expenses	*6*	**–**	–
Loss for the period		**(29,309)**	(175,317)
Loss attributable to:			
Owners of the Company		**(22,802)**	(171,126)
Non-controlling interests		**(6,507)**	(4,191)
		(29,309)	(175,317)
Loss per share for loss attributable to owners of the Company			
Basic and diluted loss per share (RMB)	*7*	**(0.04)**	(0.32)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS

For the six months ended June 30, 2025

	Six Months Ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Loss for the period	**(29,309)**	(175,317)
Other comprehensive income/(loss)		
Item that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	**10,539**	(2,098)
Other comprehensive income/(loss) for the period, net of taxes	**10,539**	(2,098)
Total comprehensive loss for the period	**(18,770)**	(177,415)
Total comprehensive loss for the period attributable to:		
Owners of the Company	**(12,423)**	(173,240)
Non-controlling interests	**(6,347)**	(4,175)
	(18,770)	(177,415)

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

As at June 30, 2025

	Note	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**10,295**	12,201
Right-of-use assets		**17,819**	23,003
Intangible assets		**56,351**	58,181
Long-term receivables	*10*	**11,839**	12,712
		96,304	106,097
Current assets			
Contract fulfilment cost		**6,172**	3,546
Contract assets		**19,722**	16,614
Trade and notes receivables	*9*	**165,861**	170,013
Other receivables and prepayments		**81,194**	82,444
Financial assets at fair value through profit or loss		**–**	120,792
Short-term treasury investments		**160,083**	159,374
Short-term bank deposits		**736,071**	599,920
Restricted cash		**100**	5,100
Cash and cash equivalents		**253,013**	319,297
		1,422,216	1,477,100
Total assets		**1,518,520**	1,583,197
EQUITY			
Equity attributable to owners of the Company			
Share capital		**563,779**	563,779
Other reserves		**2,295,802**	2,295,189
Currency translation reserves		**12,298**	1,919
Accumulated losses		**(1,725,879)**	(1,703,077)
		1,146,000	1,157,810
Non-controlling interests		**70,416**	76,763
Total equity		**1,216,416**	1,234,573

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET (CONTINUED)

As at June 30, 2025

	Note	**As at June 30, 2025** ***RMB'000*** ***(Unaudited)***	As at December 31, 2024 *RMB'000* *(Audited)*
LIABILITIES			
Non-current liabilities			
Lease liabilities		**7,976**	13,283
Deferred revenue		**7,402**	7,402
Warrant liabilities		**35,318**	35,347
		50,696	56,032
Current liabilities			
Borrowings		**–**	10,004
Trade and other payables	*11*	**170,913**	184,418
Lease liabilities		**10,796**	11,471
Contract liabilities		**69,699**	86,699
		251,408	292,592
Total liabilities		**302,104**	348,624
Total equity and liabilities		**1,518,520**	1,583,197
Net current assets		**1,170,808**	1,184,508
Total assets less current liabilities		**1,267,112**	1,290,605

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1 General information

The Group is primarily engaged in providing digital solutions for life sciences R&D and commercialisation.

The ultimate controlling shareholder of the Group is Mr. ZHAO Lu (趙璐).

On October 8, 2024, the Company completed its IPO and was successfully listed on Main Board of the Stock Exchange of Hong Kong Limited.

2 Basis of preparation

This interim condensed consolidated financial information for the six months ended June 30, 2025 has been prepared in accordance with International Accounting Standards ("**IAS**") 34, "Interim Financial Reporting issued by the International Accounting Standards Board ("**IASB**"). This report is to be read in conjunction with the consolidated financial statements of the Group for the year ended December 31, 2024, which have been prepared in accordance with IFRS Accounting Standards ("**IFRS**").

3 Segment information

The Group's business activities are mainly in providing cloud-based software products including software-as-a-service products ("**SaaS products**") and customized products, digital services and others, for which discrete financial information is available, are regularly reviewed and evaluated by the executive directors of the Company, who are the chief operating decision makers. As a result of this evaluation, the executive directors of the Company consider that the Group's operation is operated and managed as a single segment and no segment information is presented, accordingly.

For the six months ended June 30, 2025, there was no revenue derived from transactions with a single external customer which amounted to 10% or more of the Group's revenue.

(a) Geographical information

The Group mainly operates its businesses in mainland China. The following table shows the Group's total consolidated revenue by location of the customers during the six months ended June 30, 2025:

	Six Months Ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Mainland China	**238,577**	267,292
Korea	**1,058**	2,292
Singapore	**1,872**	1,750
Europe	**1,360**	1,030
Others	**1,354**	420
	244,221	272,784

(b) Non-current assets

The total of the non-current assets including property, plant and equipment, right-of-use assets and intangible assets as at June 30, 2025, broken down by the location of the assets, is as follows:

	As at June 30, 2025	As at December 31, 2024
	RMB'000	*RMB'000*
	(Unaudited)	*(Audited)*
Mainland China	**83,283**	90,839
Singapore	**815**	1,296
The United States	**367**	1,250
	84,465	93,385

4 Revenue

Revenue for the six months ended June 30, 2025 is as follows:

	Six Months Ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Cloud-based software products		
– SaaS products	**82,425**	81,564
– Customized products	**12,171**	15,993
Digital services	**149,371**	175,227
Other services	**254**	–
	244,221	272,784

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is as follows:

	Six Months Ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Revenue		
– recognised over time	**238,162**	265,999
– recognised point in time	**6,059**	6,785
	244,221	272,784

5 Expenses by nature

The expenses charged to cost of sales, selling expenses, administrative expenses and research and development expenses are analysed below:

	Six Months Ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Employee benefit expenses (excluding share-based payments)	**152,050**	209,643
Clinical research related costs	**70,322**	74,207
Costs of IT infrastructure and data service	**14,423**	17,728
Office, business development and travelling expenses	**11,708**	12,749
Consulting and professional service fees	**6,827**	3,666
Depreciation of right-of-use assets	**5,223**	13,045
Depreciation of property, plant and equipment	**3,068**	10,609
Amortisation of intangible assets	**2,115**	2,107
Short-term rental expenses	**644**	757
Share-based payments	**613**	22,242
Share-based compensation to certain shareholders	**–**	92,836
Listing expenses in relation to global offering	**–**	10,986
Other expenses	**9,997**	10,533
	276,990	481,108

6 Income tax expense

	Six Months Ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Income tax expense	**–**	–

7 Loss per share

Basic

The basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of shares in issue during the six months ended June 30 2025.

	Six Months Ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Loss attributable to owners of the Company (RMB'000)	**(22,802)**	(171,126)
Weighted average number of ordinary shares in issue (thousand shares)	**563,779**	538,000
Basic loss per share (expressed in RMB per share)	**(0.04)**	(0.32)

Diluted

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. As the Group incurred losses during the six months ended June 30, 2025, the potential ordinary shares, i.e. restricted shares issued under the Company's and the subsidiary's share incentive plan, were not included in the calculation of diluted loss per share as their inclusion would be anti-dilutive. Accordingly, diluted loss per share for the six months ended June 30, 2025 is the same as basic loss per share (for the six months ended June 30, 2024: same as basic loss per share).

8 Dividends

No dividend were paid, declared or proposed for ordinary shareholders of the Company during the six months ended June 30, 2025 (for the six months ended June 30, 2024: nil).

9 Trade and notes receivables

	As at June 30, 2025 ***RMB'000*** ***(Unaudited)***	As at December 31, 2024 *RMB'000* *(Audited)*
Notes receivables (a)	**907**	1,958
Provision for impairment	**–**	–
	907	1,958
Trade receivables (b)	**190,355**	188,684
Provision for impairment	**(25,401)**	(20,629)
	164,954	168,055
	165,861	170,013

(a) Notes receivables

The aging of notes receivables is within 180 days, which is within the Group's credit terms.

(b) Trade receivables

The credit terms given to trade customers are determined on an individual basis with normal credit period mainly around 30 to 120 days. The aging analysis of the trade receivables based on date of revenue recognition is as follows:

	As at June 30, 2025 ***RMB'000*** ***(Unaudited)***	As at December 31, 2024 *RMB'000* *(Audited)*
Up to 3 months	**83,279**	79,957
3 months to 6 months	**32,854**	38,446
6 months to 1 year	**31,124**	28,371
1 to 2 years	**28,366**	29,904
2 to 3 years	**11,051**	9,021
More than 3 years	**3,681**	2,985
	190,355	188,684

10 Long-term receivables

Long-term receivables represented the receivables due for settlement by instalments, which are generally between 1 to 5 years. Long-term receivables contain significant financing components. Accordingly, these receivables are recognised initially at fair value and subsequently at amortised cost using the effective interest method. The portion due for settlement within 1 year is reclassified to trade receivables. The balance of long-term receivables was analysed in the following table.

	As at June 30, 2025	As at December 31, 2024
	RMB'000	*RMB'000*
	(Unaudited)	*(Audited)*
Payment by instalment sales contract	**13,725**	15,529
Less: due within one year	**(1,807)**	(2,729)
	11,918	12,800
Less: provision for impairment	**(79)**	(88)
	11,839	12,712

11 Trade and other payables

	As at June 30, 2025	As at December 31, 2024
	RMB'000	*RMB'000*
	(Unaudited)	*(Audited)*
Trade payables – third parties	**109,563**	99,961
Other payables – third parties	**6,541**	9,210
Payables for listing expenses in relation to global offering	**–**	1,486
VAT payables related to contract liabilities	**4,994**	6,188
Staff salaries and welfare payables	**43,426**	54,650
Accrued taxes other than income tax	**4,280**	5,765
Provision for outstanding litigations and claims	**716**	4,313
Others	**1,393**	2,845
	170,913	184,418

Aging analysis of the trade payables based on purchase date is as follows:

	As at June 30, 2025	As at December 31, 2024
	RMB'000	*RMB'000*
	(Unaudited)	*(Audited)*
Up to 3 months	**44,539**	54,715
3 months to 6 months	**17,271**	14,141
6 months to 1 year	**28,983**	13,858
1 to 2 years	**18,544**	17,088
More than 2 years	**226**	159
	109,563	99,961

(I) BUSINESS OVERVIEW

Our revenue decreased by 10.5% from RMB272.8 million in the six months ended June 30, 2024 to RMB244.2 million in the six months ended June 30, 2025, mainly due to the decline of revenue from digital services.

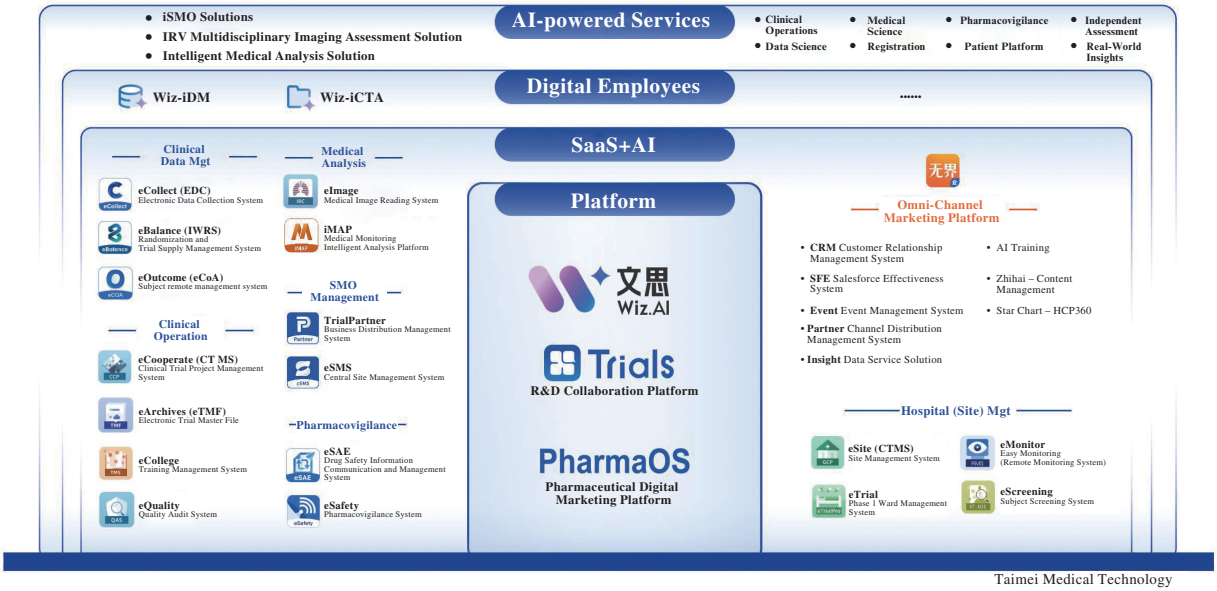
Our gross profit decreased by 9.7% from RMB110.9 million in the six months ended June 30, 2024 to RMB100.2 million in the six months ended June 30, 2025, mainly due to the decline in revenue. Our gross profit margin increased slightly from 40.7% in the six months ended June 30, 2024 to 41.0% in the six months ended June 30, 2025.

We recorded a loss for the six months ended June 30, 2025 of RMB29.3 million, compared to a loss for the six months ended June 30, 2024 of RMB175.3 million. After excluding listing expenses related to the Company's global offering and share-based payments, the adjusted net loss was RMB28.7 million, down 41.7% year on year.

Our Industry Solutions

Our solutions for the pharmaceutical and medical device industry consist of cloud-based software, including SaaS products, customized products, and digital services. Our SaaS products and digital services are primarily offered through digital collaboration platforms, including "Trials R&D Collaboration Platform" and "PharmaOS Pharmaceutical Digital Marketing Platform", and are partially intelligentized by the Literary Intelligence. Our limited customized products are mainly hosted on a private cloud, in-house infrastructure, rather than through "Trials R&D Collaboration Platform" or "PharmaOS Pharmaceutical Digital Marketing Platform". The following diagram illustrates our main products and services:

Our AI-driven digital intelligence product and service offerings cover the entire lifecycle of pharmaceutical products and medical devices



Taimei Medical Technology

Digital Collaboration Platforms

Our industry solutions are based on the digital collaboration platform for pharmaceutical and medical device research and development, the "Trials R&D Collaboration Platform", and the digital collaboration platform for pharmaceutical and medical device commercialization, the "PharmaOS Pharmaceutical Digital Marketing Platform". Staff from pharmaceutical companies, hospitals, CROs/SMOs and other relevant parties can easily manage and use our cloud-based software products and digital services through a unified landing page on the platforms, access the latest information and collaborate online. The underlying technology of our platforms breaks the boundaries between organizations and supports data interoperability among different software products and digital services, enabling efficient R&D and commercialization of innovative drugs and medical devices. The "Trials R&D Collaboration Platform", with its new client-side interface and conversation-based interaction, will deliver a more intuitive user experience and facilitate rapid collaboration, further breaking down artificial barriers between different software and services, orienting itself towards users' needs for external collaboration and process management. The "PharmaOS Pharmaceutical Digital Marketing Platform" is expected to achieve easier, more efficient, direct and compliant interaction between pharmaceutical companies and physicians by integrating online channels.

Cloud-based Software

Based on our digital collaboration platforms, we have built a series of software for different types of organizations and roles and covering critical use cases in pharmaceutical and medical device R&D and commercialization. For instance, our software facilitates the planning, tracking and monitoring of site and trial-related activities, and streamlines the management and filing of clinical research documents. Our software can also be used for patient recruitment, patient follow-up, data collection and analysis, as well as sales relationship management, to address the challenges faced by industry participants and improve workflow efficiency. The cloud-based software that we offer is hosted by a cloud service provider and offered to customers via cloud service, instead of running locally on our customers' devices with no network connection. We offer our SaaS products through the "Trials R&D Collaboration Platform" or the "PharmaOS Pharmaceutical Digital Marketing Platform", which leverage public cloud service to deliver our SaaS products via the internet across organizations. We also deliver our customized products primarily via private cloud service, which resides on a single organization's in-house infrastructure instead of utilizing the "Trials R&D Collaboration Platform" or the "PharmaOS Pharmaceutical Digital Marketing Platform".

For our cloud-based software, we generally recognize the revenue over the contract term since our delivery of products and in accordance with our customers' consumption of products or at a point of time when such product is delivered to and accepted by our customers. During the Reporting Period, the majority of our revenue from cloud-based software was derived from SaaS products.

In the first half of 2025, 38.7% of our revenue was generated from the sales of our cloud-based software. For our SaaS products, generally, we recognize the revenue over the contract term since our delivery of products and in accordance with our customers' consumption of products.

Digital Services

Based on our understanding of the industry and to better cater to the demands of different types of customers, we also provide our customers with a range of digital services, primarily assisting customers with independent medical image assessment, achieving efficient SMO resource distribution and execution, offering pharmacovigilance services and other services to support our customers' R&D and commercialization activities. These digital services are based on our digital collaboration platforms and linked with SaaS products to enable online operation, monitoring and management for improved efficiency and quality. By offering digital services, we further accumulate industry knowledge and insights, which helps enhance our capability to optimize our platforms and software products.

By choosing our digital services, our customers can leverage our service personnel who are well-versed in our software to fulfill their needs with consistent quality and no additional staff overhead. Our IRC service primarily helps pharmaceutical and medical device companies conduct independent medical image assessment. In the meantime, our digital clinical research services include digital SMO business management, which offers integrated service related to training, management, and supervision of SMO service delivery, pharmacovigilance service, and also digital clinical trial services, which enable digitally decomposing and streamlining operations of clinical research for quality, transparency, and efficiency, and realize real-time risk alerts and achieves digital project management. These digital services typically integrate the capabilities of our corresponding cloud-based software and platforms, and therefore our customers would typically also be paid users of the corresponding cloud-based software, though our customers can also use some of our digital services without becoming paid users of our cloud-based software. For example, per customer request, the Company occasionally delivered pharmacovigilance service without leveraging our software. For our digital services, we recognize revenue over contract term since our delivery of services and in accordance with the progress of our service obligation performance.

In the first half of 2025, 61.2% of our revenue was generated from the provision of digital services.

(II) BUSINESS OUTLOOK AND PROSPECTS

- **Continue to enhance AI research & development to promote future growth**

We will continue to explore advanced technologies to enhance our core capabilities and maintain our position in the industry. In the first half of 2025, our officially released "Clinical Research Digital Intelligence Evolution Blueprint" launched a value-oriented AIaaS (AI as a service) collaboration model through the deep integration of large AI models and SaaS platforms, covering the entire drug lifecycle of intelligence services, which would enable a leapfrog upgrade from "digital tools" to "value creation" within the pharmaceutical industry. Our initially pioneered "Digital Employee" system, embeds AI agents throughout the clinical research process, achieving a breakthrough from "productivity tools" to "productive force". Relevant "Digital Employees" include:

✓ iDM Data Management Intelligent Agent: automatically generates CRFs (Case Report Forms) and validation plans based on clinical trial protocols, improving database construction efficiency by 80% and reducing error rates by 50%.

✓ iCTA Document Management Intelligent Agent: realizes intelligent classification, quality control, and naming of trial documents through AI, reducing attribute filling time by 70%, and significantly lowering compliance risks.

✓ iPV Pharmacovigilance Intelligent Agent: automates the processing of individual case safety reports (ICSRs), and supports intelligent translation between Chinese and English, and cross-border regulatory submissions, improving efficiency by 300%.

✓ iSeeK Center Screening Intelligent Agent: utilizes AI to analyze historical enrollment data and cost structures, compressing the research center evaluation cycle from 7 days to 16 hours, and accurately recommending high-potential institutions.

✓ iMAP Intelligent Medical Monitor: real-time analyzes the treatment efficacy and adverse event data, and automatically generates visual reports, helping researchers identify risks swiftly.

We will continue to increase our AI R&D investment to enhance our overall technological strength and product competitiveness. Concurrently, we will promote the industrialization of our technological achievements and continue to improve the conversion rate of R&D investment to enhance our profitability. Furthermore, we plan to attract outstanding technical talents from the medical, pharmaceutical, and digital industries. We will continue to invest more resources to establish a comprehensive talent development system, fostering an innovative culture and nurturing talent within the Company.

- **Promote the implementation of the AIaaS business model to realize more value conversion**

  We will take the "Digital Employee" system as our core platform, translating AIaaS from a concept into measurable cash flow through repeat purchase activities. Multiple intelligent agents, such as iDM, iCTA, and iPV, are embedded into the Trials/PharmaOS platforms, with billing based on a dual dimension of "task volume + effect". Supported by our compliant delivery centers in China, the United States, and Singapore, we will gradually achieve a closed commercial loop from "digital tools" to "value sharing".

  Drawing on our expertise in data security and compliance, we will adopt advanced technologies, such as multi-cloud deployment and containerization technology, as well as cloud computing security measures, to improve our product and service offerings. These initiatives will adapt our product mix to the evolving IT infrastructure of global pharmaceutical and medical device companies, enabling us to provide secure and compliant solutions to meet developing industry needs.

- **Foster global collaboration through international expansion**

  Global innovative drugs have become a significant area for the realization of technological progress. During the past 15 years since 2010, China's innovative drug industry chain has achieved a substantial leap in overall R&D and production levels, with the influence of Chinese innovative drugs continuing to increase in the international market. Furthermore, pharmaceutical R&D services have become a crucial engine driving the development of the entire industry. As an "AI-driven technology company empowering the life sciences industry", we will grow together with Chinese innovative pharmaceutical companies and make our strides in the international market. Our Company has established three data and delivery centers across the globe, including China, the United States, and Singapore. With our excellent international presence, our products and services have obtained numerous domestic and overseas authoritative certifications and validations, including HIPAA, PDPA, and ICH-GCP. The AI-driven global intelligent clinical solutions we provide will significantly contribute to the development of the life sciences industry at home and abroad. Through these efforts, we aim to address our customers' demands for high-quality and efficient multi-regional clinical trials.

  To capitalize on the global momentum in pharmaceutical and medical device digitalization, we plan to develop international commercialization strategies tailored to overseas markets. Leveraging our early-mover advantage and technological capabilities, we will facilitate the construction of a global interconnected platform and offer advanced digital intelligence solutions to international pharmaceutical companies, thereby fostering global pharmaceutical and medical device innovation and empowering the development of the life sciences industry.

(III) FINANCIAL REVIEW

Revenues

	Six Months Ended June 30,				
	2025		2024		
	RMB'000	***% of Revenue***	*RMB'000*	*% of Revenue*	*Year-on-year change (%)*
Cloud-based Software					
– SaaS products	**82,425**	**33.8**	81,564	29.9	1.1
– Customized products	**12,171**	**5.0**	15,993	5.9	-23.9
Subtotal	**94,596**	**38.7**	97,557	35.8	-3.0
Digital Services	**149,371**	**61.2**	175,227	64.2	-14.8
Others	**254**	**0.1**	–	–	N/A
Total	**244,221**	**100.0**	272,784	100.0	-10.5

We primarily derive our revenue from (i) the sales of our cloud-based software, including SaaS products and customized products, as well as relevant technical support; and (ii) provision of digital services, primarily including digital clinical research services and IRC services.

Our revenue decreased by 10.5% from RMB272.8 million in the six months ended June 30, 2024 to RMB244.2 million in the six months ended June 30, 2025, mainly due to the decline of revenue from digital services.

Cloud-based Software: Our revenue from sales of cloud-based software declined 3.0% from RMB97.6 million in the six months ended June 30, 2024 to RMB94.6 million in the six months ended June 30, 2025, which was primarily attributable to the decrease in sales of the customized products from RMB16.0 million in the six months ended June 30, 2024 to RMB12.2 million in the six months ended June 30, 2025. Such decline in customized-product revenue was primarily due to intensifying market competition and the Group's increased focus on core customers.

Digital services: Our revenue from sales of digital services decreased by 14.8% from RMB175.2 million in the six months ended June 30, 2024 to RMB149.4 million in the six months ended June 30, 2025, mainly due to the impact of a challenging external environment and the Group's strategic pivot toward key accounts.

Cost of sales

Our cost of sales decreased by 11.0% from RMB161.8 million in the six months ended June 30, 2024 to RMB144.0 million in the six months ended June 30, 2025, primarily attributable to the improvement of labor efficiency and the decline in revenue.

Gross profit and gross margin

Our gross profit decreased by 9.7% from RMB110.9 million in the six months ended June 30, 2024 to RMB100.2 million in the six months ended June 30, 2025, mainly due to the decline in revenue. Our gross profit margin increased slightly from 40.7% in the six months ended June 30, 2024 to 41.0% in the six months ended June 30, 2025.

Selling expenses

Our selling expenses decreased by 26.6% from RMB51.2 million in the six months ended June 30, 2024 to RMB37.6 million in the six months ended June 30, 2025, primarily due to a reduction of RMB8.6 million in staff costs and a decrease of RMB3.1 million in our share-based payments.

Administrative expenses

Our administrative expenses decreased by 73.4% from RMB217.2 million in the six months ended June 30, 2024 to RMB57.7 million in the six months ended June 30, 2025, primarily due to (i) a significant decrease of RMB121.3 million in our share-based payments, which mainly related to the acquisition of certain indirect equity interests in a subsidiary of the Company, Taimei Intelligence Pharmaceutical (Shanghai) R&D Co., Ltd. ("太美智研醫藥研發(上海)有限公司") by certain Shareholders in January 2024; and (ii) a decrease of RMB30.3 million in our staff costs resulting from improved labor efficiency.

Research and development expenses

Our research and development expenses decreased by 26.0% from RMB50.9 million in the six months ended June 30, 2024 to RMB37.7 million in the six months ended June 30, 2025, primarily attributable to our decrease in staff costs of RMB10.2 million.

Net impairment losses on financial and contract assets

We recorded net impairment losses on financial and contract assets of RMB1.3 million in the six months ended June 30, 2024 and RMB5.5 million in the six months ended June 30, 2025. Such change was primarily driven by an increase in the credit risk of a few customers.

Other income

Our other income decreased from RMB9.8 million in the six months ended June 30, 2024 to RMB2.4 million in the six months ended June 30, 2025, primarily due to the decrease of RMB6.8 million in government grants.

Other (losses)/gains-net

We recorded net other losses of RMB12.9 million in the six months ended June 30, 2025, including a net foreign exchange losses of RMB16.1 million, and we recorded net gains of RMB7.8 million in the six months ended June 30, 2024, which included a net foreign exchange gains of RMB5.3 million. The swing was primarily driven by significant volatility in the US$ to RMB exchange rate.

Finance income – net

Our net finance income increased from RMB16.7 million in the six months ended June 30, 2024 to RMB19.4 million in the six months ended June 30, 2025 primarily due to an increase of RMB2.8 million in interest income.

Loss for the period

As a result of the above, our loss for the period decreased by 83.3% from RMB175.3 million for the six months ended June 30, 2024 to RMB29.3 million for the six months ended June 30, 2025.

Adjusted net loss (non-IFRS measure)

To supplement our consolidated financial statements, which are presented in accordance with IFRS, we also use adjusted net loss as an additional non-IFRS measure, which is not required by, or presented in accordance with, IFRS.

We define adjusted net loss (a non-IFRS measure) as the loss for the period adjusted by adding back share-based payments and listing expenses. We believe the presentation of this non-IFRS measure provides useful information to investors and management in facilitating a comparison of our operating performance from year to year by eliminating potential impacts of these items. However, our presentation of adjusted net loss may not be comparable to similarly titled measures presented by other companies. The use of this non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for, an analysis of our results of operations or financial condition as reported under IFRS.

The tables below set forth the reconciliation of our non-IFRS measure presented in accordance with IFRS for the six months ended June 30, 2025 indicated:

	Six Months Ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Loss for the period	**(29,309)**	(175,317)
Adjustment:		
Share-based payments	**613**	115,078
– Share-based payments to employees	**613**	22,242
– Share-based compensation to certain shareholders	**–**	92,836
Listing expenses in connection with the Global Offering	**–**	10,986
Adjusted net loss for the period (a non-IFRS measure)	**(28,696)**	(49,253)

Liquidity and capital resource

Our principal use of cash in the six months ended June 30, 2025 was for working capital purposes. Our main source of liquidity has been generated from proceeds from our business operations, the net proceeds from the Global Offering, and bank borrowings. We do not anticipate any changes to the availability of financing to fund our operations in the future.

As at June 30, 2025, the Group had net current assets of RMB1,170.8 million (December 31, 2024: RMB1,184.5 million) of which cash and cash equivalents, short-term bank deposits, short-term treasury investments, and restricted cash were RMB253.0 million, RMB736.1 million, RMB160.1 million and RMB0.1 million (December 31, 2024: RMB319.3 million, RMB599.9 million, RMB159.4 million and RMB5.1 million), respectively. Total bank borrowing was nil (December 31, 2024: RMB10.0 million).

As at June 30, 2025, the Group's current ratio[(1)] was 5.66 (December 31, 2024: 5.05) and gearing ratio[(2)] was 19.9% (December 31, 2024: 22.0%). The Group has sufficient cash to meet its working capital requirements. This strong cash position enables the Group to explore potential business development opportunities to expand in China and overseas.

Notes:

(1) Current ratio equals current assets divided by current liabilities as at the same date.

(2) Gearing ratio equals total liabilities divided by total assets and multiplied by 100% as at the same date.

Pledge of assets

As at June 30, 2025, the Group had no pledge of assets.

Exchange rate fluctuation risk

During the six months ended June 30, 2025, the Group mainly operated in China with most of the transactions settled in Renminbi. The functional currency of the Company and the subsidiaries that operate in the PRC, and the subsidiaries operate in the United States and Singapore are Renminbi, U.S. dollar and Singapore dollar, respectively. For the six months ended June 30, 2025, we had currency translation gains of RMB10.5 million (for the six months ended June 30, 2024: losses of RMB2.1 million) and net foreign exchange losses of RMB16.1 million (for the six months ended June 30, 2024: gains of RMB5.3 million).

We did not hedge against any fluctuation in foreign currency during the six months ended June 30, 2025.

Future Plan for Material Investment and Capital Asset

The Group does not have any other plans for material investments and capital assets for the Reporting Period and up to the date of this announcement.

Significant Investments, Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures during the Reporting Period

The Group did not hold or make any significant investments, material acquisitions or disposals of subsidiaries, associates and joint ventures during the Reporting Period.

Contingent liabilities

As at June 30, 2025, we did not have any material contingent liabilities.

Capital commitment

As at June 30, 2025, we did not have any material capital commitments.

Off-balance sheet commitments and arrangements

As at June 30, 2025, we had not entered into any off-balance sheet transactions.

Employees and remuneration

As at June 30, 2025, we had 656 full-time employees, of whom 648 were based in China, 4 were based in the United States and 4 were based in Singapore. The table below sets forth a breakdown of our full-time employees by function as at June 30, 2025:

Function	Numbers of Employees	% of Total
R&D	127	19.4%
Sales and Marketing	85	13.0%
Professional and Technical Personnel	359	54.7%
Administrative	85	13.0%
Total	**656**	**100%**

Our total remuneration cost for the six months ended June 30, 2025, was RMB152.1 million (for the six months ended June 30, 2024: RMB209.6 million).

Use of proceeds from the Global Offering

The H Shares were first listed on the Main Board of the Stock Exchange on October 8, 2024. After deducting underwriting fees, commissions and other related listing expenses, the total net proceeds of the Global Offering amounted to approximately HK$259.5 million (the "**Net Proceeds**"). The Net Proceeds have been allocated and utilized in accordance with the intended purposes and proportions as set out in the Prospectus, and there is no change in the intended use of the Net Proceeds as disclosed in the Prospectus.

The following table sets out the status of the use of the Net Proceeds and a summary of their utilization as at June 30, 2025 together with the expected timeline of use:

Intended use of Net Proceeds		Allocation of Net Proceeds	Approximate percentage of total Net Proceeds	Balance of Net Proceeds unutilized as at December 31, 2024	Amount of Net Proceeds utilized up to June 30, 2025	Balance of Net Proceeds unutilized as at June 30, 2025	Intended timetable for use of the unutilized Net Proceeds *(note)*
(i)	To improve and upgrade our TrialOS Platform and PharmaOS Platform and their respective cloud-based software and digital services	HK$90.8 million	35%	HK$89.4 million	HK$9.2 million	HK$81.6 million	Before December 31, 2029
(ii)	To improve our core technology and R&D capabilities	HK$77.9 million	30%	HK$75.8 million	HK$5.7 million	HK$72.2 million	Before December 31, 2029
(iii)	To strengthen our sales and marketing capabilities	HK$26.0 million	10%	HK$26.0 million	HK$0.7 million	HK$25.3 million	Before December 31, 2029
(iv)	To selectively pursue strategic investments and acquisitions	HK$38.9 million	15%	HK$38.9 million	HK$ -	HK$38.9 million	Before December 31, 2029
(v)	For our working capital and general corporate purposes	HK$25.9 million	10%	HK$24.1 million	HK$3.1 million	HK$22.9 million	Before December 31, 2029
Total		HK$259.5 million	100%	HK$254.2 million	HK$18.7 million	HK$240.8 million	

Note: The expected timeline to use the remaining Net Proceeds is prepared based on the best estimate made by the Group, which is subject to change based on future developments and events which may be outside of the Group's control.

OTHER INFORMATION

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the Reporting Period (six months ended June 30, 2024: Nil).

CORPORATE GOVERNANCE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the principles and code provisions set out in the CG Code as set out in Part 2 of Appendix C1 to the Listing Rules as its own code to govern its corporate governance practices. During the Reporting Period, the Company has complied with all applicable code provisions of the CG Code except for the deviations as explained below. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

Under paragraph F.1.1 of part 2 of the CG Code, an issuer should have a policy on payment of dividends. The Company currently expects to retain all future earnings for use in operation and expansion of our business, and currently does not have any dividend policy to declare or pay any dividends in the foreseeable future. The declaration and payment of any dividends in the future will be determined by the Board and subject to the Articles of Association and the Company Law of the PRC (《中華人民共和國公司法》), and will depend on a number of factors, including the Group's financial performance and business operation, capital requirements and contractual restrictions. No dividend shall be declared or payable except out of profits and reserves lawfully available for distribution. As confirmed by the legal adviser to the Company as to PRC laws, according to the PRC laws, any future net profit that the Company makes will have to be first applied to make up for its historically accumulated losses, after which the Company will be obliged to allocate 10% of its net profit to its statutory common reserve fund until such fund has reached more than 50% of its registered capital. The Company will therefore only be able to declare dividends after (i) all its historically accumulated losses have been made up for; and (ii) the Company has allocated sufficient net profit to its statutory common reserve fund as described above. The Board will review the Company's status periodically and consider adopting a dividend policy if and when appropriate.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding dealings by Directors, Supervisors, and the Group's senior management who, because of his/her office or employment, is likely to possess inside information in relation to the Company's securities.

Upon specific enquiries, all Directors and Supervisors have confirmed that they have complied with the Model Code throughout the Reporting Period. In addition, the Company is not aware of any non-compliance of the Model Code by the senior management of the Group throughout the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the six months ended June 30, 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

AUDIT COMMITTEE

The Audit Committee has been established with written terms of reference in compliance with the Listing Rules and the CG code. The Audit Committee comprises three members, including three independent non-executive Directors, namely Mr. FUNG Che Wai Anthony, Dr. JIANG Xiao and Dr. LI Zhiguo. Mr. FUNG Che Wai Anthony, who holds the appropriate professional qualifications as required under Rules 3.10(2) of the Listing Rules, is the chairman of the Audit Committee.

The Audit Committee has reviewed and considered that the interim financial results for the six months ended June 30, 2025 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made. There is no disagreement by the Audit Committee with respect to the accounting treatment adopted by the Company.

EVENTS AFTER THE REPORTING PERIOD

Change of chief financial officer

The Company received a resignation letter from Mr. JIANG Chengwen (姜程文) to resign as the chief financial officer of the Company with effect from July 25, 2025, due to his other personal commitments. On July 25, 2025, the Board resolved to appoint Mr. WANG Wei (王為) as the chief financial officer of the Company with effect from the same date. For further details, please refer to the announcement of the Company dated July 25, 2025.

PUBLICATION OF INTERIM RESULTS AND 2025 INTERIM REPORT

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.taimei.com). The interim report of the Company for the six months ended June 30, 2025, containing all the information required by the Listing Rules, will be published on the websites of the Stock Exchange and the Company in due course.

APPRECIATION

The Board would like to express its sincere gratitude to the Shareholders, management team, employees, business partners and customers of the Group for their continuous support and contribution to the Group.

DEFINITIONS

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

"Articles of Association"	the articles of association of the Company currently in force
"Audit Committee"	the audit committee of the Board
"Board" or "Board of Directors"	the board of Directors
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"China" or "the PRC"	the People's Republic of China excluding, for the purposes of this announcement, Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan
"Company" or "our Company" or "Taimei Medical Technology"	Zhejiang Taimei Medical Technology Co., Ltd. (浙江太美醫療科技股份有限公司), a joint stock company with limited liability incorporated in the PRC, the predecessor of which was Jiaxing Taimei Medical Technology Co., Ltd. (嘉興太美醫療科技有限公司), a limited liability company established in the PRC on June 6, 2013, and if the context requires, includes its predecessor

"CRO"	a contract research organization, which provides professional services to pharmaceutical companies and research institutions during the drug development process through contractual agreements
"Director(s)"	the director(s) of our Company
"Domestic Share(s)"	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for in Renminbi
"Global Offering"	has the meaning ascribed thereto in the Prospectus
"Group", "our Group", "our", "we" or "us"	the Company and its subsidiaries, or any one of them as the context may require or, where the context refers to any time prior to its incorporation, the business which its predecessors or the predecessors of its present subsidiaries, or any one of them as the context may require, were or was engaged in and which were subsequently assumed by it
"HIPAA"	The Health Insurance Portability and Accountability Act (HIPAA), a federal law in the United States, aims to protect patient medical information privacy and security. It requires healthcare providers and insurance companies to follow strict security and confidentiality protocols when handling patient data, including data encryption, access controls, and patient authorization. Applicable to all medical institutions within U.S. territory that handle healthcare data, HIPAA serves as the cornerstone of data protection in the healthcare industry
"H Share(s)"	overseas listed foreign invested ordinary share(s) in the ordinary share capital of our Company, with a nominal value of RMB1.00 each, which are listed on the Stock Exchange
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"HKD" or "HK$"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
"iCTA"	Document management agent, through AI to achieve intelligent classification, quality control and naming of test documents, significantly reduce compliance risks
"ICH-GCP"	The Good Clinical Practice (GCP), established by the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH), represents a globally recognized framework for clinical trial ethics and scientific quality. This guideline ensures the reliability and integrity of clinical trial data while safeguarding participants' rights, safety, and well-being

"iDM"	Data management agent, through AI-driven automation technology, transforms complex solutions into compliant and high-quality data management workflow, intelligent data cleaning capability, greatly reduces DM workload, improve data quality
"IFRS"	International Financial Reporting Standards
"iPV"	The pharmacovigilance agent, through AI, can automate the processing of individual safety reports (ICSR), support intelligent translation in Chinese and English, and submit to multinational regulators
"IRC"	an independent reading center, which provides unbiased reviewing and analysis of clinical trial imaging data for accuracy and consistency
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange (as amended, supplemented or otherwise modified from time to time)
"Main Board"	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"PDPA"	The Personal Data Protection Act (PDPA), implemented in Singapore and other jurisdictions, regulates the collection, use, and disclosure of personal data. It mandates that businesses obtain explicit user consent before processing personal information and must implement measures to ensure data security. While specific provisions of PDPA may vary slightly across countries, their core objective remains the same: protecting individual privacy
"Prospectus"	the prospectus issued by the Company and published on the websites of the Company and the Stock Exchange on September 27, 2024
"Reporting Period"	for the six months ended June 30, 2025
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"R&D"	research and development
"Share(s)"	ordinary share(s) in the capital of our Company with a nominal value of RMB1.00 each, comprising Domestic Shares and H Shares
"Shareholder(s)"	holder(s) of the Share(s)

"SMO"	a site management organization, which is a commercial entity that assists clinical trial sites in conducting specific operational tasks for clinical trials
"SaaS"	software-as-a-service
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules
"Supervisor(s)"	the supervisor(s) of the Company
"United States"	the United States of America
"U.S. dollars" or "USD" or "US$"	United States dollars, the lawful currency of the United States
"%"	percent

Note: The English translation of Chinese names of entities included in this announcement is prepared for identification purpose only.

By order of the Board
Zhejiang Taimei Medical Technology Co., Ltd.
Mr. ZHAO Lu
Chairman of the Board

Hong Kong, August 28, 2025

As at the date of this announcement, the Board comprises Mr. ZHAO Lu, Mr. MA Dong, Mr. ZHANG Hongwei, Mr. LU Yiming, Mr. HUANG Yufei and Ms. NI Xiaomei as executive Directors; and Dr. JIANG Xiao, Dr. LI Zhiguo and Mr. FUNG Che Wai Anthony as independent non-executive Directors.