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Medlive Technology Co., Ltd.

醫脈通科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2192)

**INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2022**

FINANCIAL HIGHLIGHTS

	For the six months ended 30 June		Year-on-Year Change*
	2022 (unaudited) (RMB in thousands)	2021 (unaudited)	%
Revenue	131,953	130,661	1.0
Cost of sales	(40,710)	(36,156)	12.6
Gross profit	91,243	94,505	(3.5)
Profit for the period	27,665	19,645	40.8
Profit attributable to owners of the parent	<u>26,973</u>	<u>19,645</u>	37.3
Non-HKFRS adjusted net profit**	53,954	51,166	5.4

* Year-on-Year Change % represents a comparison between the current reporting period and the same period last year.

** Non-HKFRS adjusted net profit was derived from the unaudited profit for the period adjusted by excluding the listing-related expenses, share-based compensation to key employees, provision for one-off withholding tax related to the special interim dividend declared in June 2021 and foreign exchange difference.

REVENUE BY SOLUTION CATEGORIES

	For the six months ended 30 June 2022 (unaudited)		2021 (unaudited)		Year on- Year Change*	For the year ended 31 December 2021 (audited)	
	(RMB in thousands, except for percentages)						
	RMB	%	RMB	%	%	RMB	%
Revenue:							
Precision marketing and corporate solutions	118,432	89.7	117,245	89.7	1.0	258,794	91.0
Medical knowledge solutions	6,424	4.9	5,879	4.5	9.3	12,258	4.3
Intelligent patient management solutions	7,097	5.4	7,537	5.8	(5.8)	13,388	4.7
Total	<u>131,953</u>	<u>100.0</u>	<u>130,661</u>	<u>100.0</u>	<u>1.0</u>	<u>284,440</u>	<u>100.0</u>

* Year-on-Year Change % represents a comparison between the current reporting period and the same period last year.

OPERATIONAL HIGHLIGHTS

The following table sets forth the major operating data of the Group:

	As of 30 June 2022	As of 31 December 2021
Number of registered users (<i>in millions</i>)	6.00	5.50
Number of registered physician users (<i>in millions</i>)	3.45	3.10
	For the six months ended 30 June 2022	2021
Number of healthcare customers of precision marketing and corporate solutions	84	65
Number of products of healthcare customers marketed under precision marketing and corporate solutions	181	144
Paid clicks (<i>in millions</i>)	3.18	3.10

The board of directors (the “**Board**”) of Medlive Technology Co., Ltd. (the “**Company**” or “**Medlive**”) is pleased to announce the unaudited consolidated results (the “**Interim Results**”) of the Company and its subsidiaries (together the “**Group**”) for the six months ended 30 June 2022 (the “**Reporting Period**”). The Interim Results have been reviewed by the audit committee of the Company (the “**Audit Committee**”).

BUSINESS OVERVIEW AND OUTLOOK

Business Review

The Group is the leading online professional physician platform in China. The Group has focused on using technology to support physicians' clinical decision making for over 20 years. Its self-developed *Medlive* (醫脈通) platform is widely recognized by physicians in China as the most popular professional medical platform, which enables the Group to become the platform of choice in precision digital healthcare marketing for pharmaceutical and medical device companies in China. As of 30 June 2022, having taken into account the users of the *Medlive* platform, available through the Company's website, desktop application and mobile application, and that of Beijing Medcon Information Consulting Co., Ltd. (北京美迪康信息諮詢有限公司) ("Beijing Medcon"), a 60% owned subsidiary of the Company, the Group has approximately 6.00 million registered users, around 3.45 million of whom were licensed physicians, representing approximately 82% of all licensed physicians in China as of the same date.

The Group generates revenue by offering three categories of solutions to address various needs of its *Medlive* platform participants, namely, precision marketing and corporate solutions, medical knowledge solutions and intelligent patient management solutions.

The Group derives most of its revenue from precision marketing solutions, which offer digital healthcare marketing services to pharmaceutical and medical device companies. Under the influence of the volume-based procurement policy, the income and profits of pharmaceutical and medical device companies are extensively squeezed so that they are actively seeking marketing solutions that are precise, efficient and low-cost, and hope to quantify the return of their marketing input. The Group fully analyzes the academic characteristics of pharmaceutical and medical device products, as well as the life cycle they are in, in order to provide effective and results-oriented precision digital marketing services. The Group leverages its unique advantages of having over three million registered physician users, as well as their 26-year long-term, highly engaged academic study patterns to build Internet portraits of target physician groups. Through the professional academic team of *Medlive* and its well established Internet operation mechanism, it provides professional, scientific and efficient clinical medical knowledge and medical evidence to help physicians across China to solve problems encountered in clinical practice and improve the level of diagnosis and treatment. The Group also offers various corporate solutions that enable (i) pharmaceutical and medical device companies to cost-effectively conduct market research; and (ii) pharmaceutical and medical device companies, hospitals and other stakeholders of the healthcare industry to improve the efficiency of clinical trials and medical research. The Group utilises its unique advantage of having more than three million registered physician users to set up an "one-site" digitalized clinical research platform, an Internet hospital, electronic data capture ("EDC") solutions and decentralized clinical trial ("DCT") solutions capabilities. In addition, the Group integrates real-world studies ("RWS")

delivery with digital marketing, and effectively combines evidence generation through RWS and evidence-based digital marketing. This effective module has successfully been applied in our RWS support solutions in areas of oncology, hematology and nephrology. Hence, the Group is able to provide full service on its “one-site” platform including project management, clinical monitoring, data management, biostatistics, protocol design, medical monitoring, patient recruitment and supporting system. In the first half of 2022, the Group had 84 healthcare customers who purchased its precision marketing and corporate solutions, compared to 65 healthcare customers in the first half of 2021. In the first half of 2022, 181 products of healthcare customers were marketed using the Group’s precision marketing and corporate solutions, compared to 144 products of healthcare customers marketed using such solutions in the first half of 2021.

The Group’s medical knowledge solutions satisfy the needs of physicians for continuing medical education and clinical decision support and the needs of other healthcare professionals for professional medical information. The Group’s medical knowledge solutions deliver medical knowledge content through multiple user-friendly channels, including its website, mobile applications, desktop applications, WeChat mini-programs and WeChat official accounts. On the back of its cancer disease knowledge database, the Group expanded its clinical decision support products to cover other diseases and areas such as cardiovascular, endocrine, vestibular medicine, neurological infectious, obstetrics and pediatrics diseases. These coupled with the other clinical guides and clinical drug reference tools offered by the Group provide physicians with a more comprehensive clinical decision support tool at the point of care, helping them to give diagnosis, prescription and treatment in an effective and efficient manner. To complement such development, the Group’s “醫搜” platform, which is targeted at medical and pharmaceutical professionals, provides valuable domestic and overseas medical knowledge content through AI-enabled search engine, thereby allowing comprehensive, precise and fast searches by users. In terms of clinical guidelines, building on the footing of cooperation with the Chinese Medical Association and the Wanfang Medical Database on clinical guidelines, Medlive has entered into strategic cooperation with NCCN (National Comprehensive Cancer Network of the United States). As NCCN’s sole partnering physician platform in China, Medlive and NCCN shall together provide Chinese clinical oncologists with high-quality, high-value and patient-centered cancer diagnosis and treatment solutions that are based on the latest and continuously updated progress in the field of oncology, which aims to help Chinese doctors make the best clinical decisions, and ultimately help Chinese cancer patients to live a longer and better life.

In order to better enhance the scientific research capability of Chinese physicians, Medlive continues to step up its strategic layout in the field of scientific research and accelerate the deployment of “scientific research efficiency enhancement” products, in order to allow digital technology to better assist clinical research. In the first half of 2022, Medlive launched the *eClinicalResearch* platform, aiming to support physicians’ scientific research to be more efficient through technology, continuously expand the service model for

physicians and improve the service level of the platform. The *eClinicalResearch* platform includes several major segments, namely scientific research knowledge, delivery of experience and methods, scientific research tool assistance and scientific research services. The scientific research tools include *eMedical Journal*, AI equipped selection required for journal submission, document management and translation tools for searching and managing journals. In terms of scientific research services, the *eMedical Papers Service* under *eClinicalResearch* provides a full range of dissertation support services, including statistics, dissertation polishing, manual journal selection, writing submission letters, manual translation and other professional services. In the future, Medlive will continue to adhere to “professionalism, innovation, cooperation and efficiency” as its value concept and continuously improve and expand the capabilities of the *eClinicalResearch* platform in order to empower physicians to enhance their efficiency of scientific research with digital technology.

Due to the travel restrictions and social distancing measures resulting from the COVID-19 pandemic, the manner in which physicians receive clinical information and education has changed. More and more physicians are willing to attend online medical conferences or clinical education courses on the Internet. Beijing Medcon, a 60% owned subsidiary of the Company, is a well-known software as a service (“SaaS”) solution platform for academic conferences in the PRC and is one of the leading professional and prominent technology providers in academic conference management focusing on medical conference. The business of Beijing Medcon enhances the Group’s capability in providing medical conference services and enables the Group to capitalize on the emerging opportunities presented by the growing demand for digital conference management.

The Group’s intelligent patient management solutions offer comprehensive single disease management services, including (i) diseases knowledge dissemination and treatment compliance monitoring management services to patients through Internet hospital; and (ii) condition-specific patient education services in collaboration with non-profit organizations. The Group’s Internet hospital-based chronic disease management currently focuses on Parkinson’s, lymphoma, stroke and diabetes management and will gradually expand to other chronic diseases in the future. As at 30 June 2022, the Group’s chronic disease management services platform had accumulated approximately 232,000 users and in addition approximately 62,000 participating physicians.

Since March this year, Shanghai has implemented strict control measures due to the sudden intensification of the COVID-19 pandemic, which has affected the normal office practice of the Group’s pharmaceutical and medical device companies customers in Shanghai. Until June, there were still a large number of the customers’ employees working from home, which affected business communications with Shanghai customers in the first half of the year, and the dealing of business processes was also delayed. As a large number of the Group’s customers are located in Shanghai, the severe pandemic situation in Shanghai has caused a notable slow down in the Group’s business growth in the first half of the year.

The Group's revenue increased from approximately RMB130.7 million for the six months ended 30 June 2021 to approximately RMB132.0 million for the six months ended 30 June 2022, representing an increase of approximately 1.0%. The Group's gross profit for the six months ended 30 June 2022 was approximately RMB91.2 million, down approximately 3.5% from the gross profit of approximately RMB94.5 million for the six months ended 30 June 2021. The gross profit margin for the six months ended 30 June 2022 remained at a high level of 69.1%. The adjusted net profit for the six months ended 30 June 2022 was approximately RMB54.0 million, which was approximately 5.4% higher than the adjusted net profit of approximately RMB51.2 million for the six months ended 30 June 2021. The Group's net profit margin (calculated on the basis of the profit for the period) increased by 6 percentage points from approximately 15.0% for the six months ended 30 June 2021 to approximately 21.0% for the same period in 2022. The adjusted net profit margin for the six months ended 30 June 2022 was approximately 40.9%, up 1.7 percentage points from approximately 39.2% for the same period in 2021.

Business Outlook

In the second half of 2022, the Group will continue its efforts to further solidify its position as the leading online professional physician platform in China by pursuing the following strategies:

- Continue to build the Group's technological platform and expand its applications. The Group plans to continue its technological development, including the continuous development of AI-empowered tools by leveraging its unique and proprietary data set. With the “醫搜” platform, the Group will continue to build its knowledge graphs to optimize its search and recommendations capabilities with semantic and contextual links. The Group is developing a single disease clinical decision support system providing intelligent decision services including diagnosis, intelligent early warning and treatment recommendations. The Group will accelerate the research and development progress of the *Medlive Knowledge Base* to provide primary physicians with more concise and effective knowledge services and will continue to expand the capabilities of the *eClinicalResearch* platform to empower physicians to enhance their efficiency of scientific research with digital technology.
- Expand the Group's customer network and strengthen relationships with existing customers. The Group will continue to bring considerable returns to customers through its precision marketing solutions, and enhanced customer loyalty with its high-quality service level. The Group found a huge demand for digital marketing from medical device companies, domestic pharmaceutical companies and biotech companies, especially those focusing on developing innovative therapies and those affected by China's mass procurement policy. The Group plans to leverage its extensive experience in precision marketing to attract more potential customers' spending on digital marketing. In order to achieve such goals, the Group will continue to invest in developing comprehensive solutions which comprise medical strategy, market strategy and multi-channel digital strategy. The Group will also add new functions to existing solutions, including designing digital marketing solutions that meet the

product characteristics of oncology drugs, chronic disease drugs, rare disease drugs, over-the-counter medicines and medical devices. For newly launched products or products in the growth stage, the Group is able to provide pharmaceutical and medical device companies with professional academic content promotion for doctors in target hospitals and target departments, from first-tier cities to grassroots markets, helping customers to quickly cover the China market. The Group will also strengthen its business development capabilities by hiring more marketing, solutions development and management personnel.

- Continue to increase physician penetration and engagement by enhancing the Group’s medical knowledge solutions and enriching the information and content on its platform. The Group will leverage its data insights to improve the accuracy and relevance of its personalized content recommendation and search results. The Group also plans to further diversify the sources of content generation and to extend its reach to the physicians who work in county areas and community hospitals by offering them tailored solutions. Furthermore, the Group is strengthening its strategic collaboration with the Chinese Society of Clinical Oncology (“CSCO”) and plans to join efforts with CSCO to provide comprehensive support to physicians and others in the areas of anti-cancer new drug clinical research support, continuing education for physicians, pharmaceutical and medical device company personnel, patient education, publication support and media and conference support.
- Continue to expand the Group’s service offerings, including patient care offerings with digital health management tools and clinical research solutions. The Group is actively developing a DCT platform as the Group believes that with the popularization of remote and intelligent clinical treatment, there is an urgent need for a localized DCT platform that meets the needs of Chinese physicians and patients. DCT allows remote clinical monitoring therefore increasing cost-efficiency. The Group’s platform design is based on in-depth insights into Chinese doctor-patient behavior which allows clinical research to continue during the pandemic and also reduces patients’ burden and can potentially improve enrollment. Leveraging its large physician network, the Group intends to expand chronic disease management service and strengthen its Internet hospital by supporting more diseases and health conditions and pain, nutrition needs of cancer patients, lung cancer, colorectal cancer, breast cancer, and blood cancer are among those that are currently under consideration. In addition, the Group plans to optimize its intelligent clinical research solutions, including its EDC and clinical data management system (“CDMS”) solutions and RWS solution by continuing to develop AI technology to accurately and efficiently capture and analyse clinical data.
- Explore strategic partnerships, investments and acquisitions. The Group intends to selectively pursue suitable strategic investments and acquisitions that can generate convincing synergies with the Group’s existing solutions offerings, expand its customer base and/or enhance its technological capabilities.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

During the first half of 2022, the Group generated revenue from three solution categories, namely (i) precision marketing and corporate solutions; (ii) medical knowledge solutions; and (iii) intelligent patient management solutions. The Group's revenue increased by approximately 1.0% from approximately RMB130.7 million for the six months ended 30 June 2021 to approximately RMB132.0 million for the same period in 2022, primarily due to the revenue increase from its precision marketing and corporate solutions.

Precision Marketing and Corporate Solutions

Revenue from precision marketing solutions is primarily derived from fees paid by the Group's healthcare customers for the Group's digital detailing, digital marketing consulting and digital content creation services. Revenue from corporate solutions is primarily derived from fees paid by the Group's healthcare customers for its digital market research, EDC and CDMS solutions, RWS support solutions, patient recruitment service, as well as application software development service related to precision marketing and corporate solutions.

Revenue from precision marketing and corporate solutions increased by approximately 1.0% from approximately RMB117.2 million for the six months ended 30 June 2021 to approximately RMB118.4 million for the same period in 2022, mainly due to the impact of the pandemic where the execution of certain projects was affected and the dealing of business processes with Shanghai customers was delayed. However, the Group's healthcare customer base expanded from 65 for the six months ended 30 June 2021 to 84 for the same period in 2022 and the number of healthcare products marketed using the Group's precision marketing and corporate solutions increased from 144 for the six months ended 30 June 2021 to 181 for the same period in 2022.

Medical Knowledge Solutions

Revenue from medical knowledge solutions is primarily derived from provision of professional medical information covering continuing medical education and clinical decision support, including licensing software to physicians, other registered users, including other healthcare professionals, and pharmaceutical companies. Revenue from medical knowledge solutions increased by approximately 9.3% from approximately RMB5.9 million for the six months ended 30 June 2021 to approximately RMB6.4 million for the same period in 2022, primarily due to an increase of paying users, as a result of the expansion of the Group's user base due to the Group's increased offerings of medical knowledge products.

Intelligent Patient Management Solutions

Revenue from intelligent patient management solutions was primarily derived from fees paid by non-profit organizations with medical focus and pharmaceutical companies for provision of patient education services to patients and non-profit organizations, including content development, application software development and other related services. The Group also started to generate revenue from commissions on fees paid by patients for online consultation services and prescription services on its Internet hospital in the first half of 2021. Revenue from intelligent patient management solutions decreased by approximately 5.8% from approximately RMB7.5 million for the six months ended 30 June 2021 to approximately RMB7.1 million for the same period in 2022, mainly due to the impact of the pandemic such that the launch of non-profit organization-related patient management projects have been suspended.

Cost of sales

The Group's cost of sales consists of (i) employee benefit expenses relating to salaries and benefits for employees involved in operating the Group's platform and developing content; (ii) content development cost primarily relating to fees paid to content contributors and service fees paid to content production service providers; (iii) technology service fees relating to cloud content delivery network and telecommunication services as well as licensing fees; and (iv) other expenses primarily relating to consulting fees, equipment rental expenses, travel and transportation expenses. The Group's cost of sales increased by approximately 12.6% from approximately RMB36.2 million for the six months ended 30 June 2021 to approximately RMB40.7 million for the same period in 2022. The increase was primarily due to an increase in employee benefit expenses driven by the growth of the Group's business and the recognition of share-based compensation.

Gross profit and gross profit margin

As a result of the foregoing, the Group's gross profit decreased by approximately 3.5% to approximately RMB91.2 million for the six months ended 30 June 2022 from approximately RMB94.5 million for the same period in 2021. The Group's gross profit margin was approximately 69.1% for the six months ended 30 June 2022, which decreased slightly from 72.3% for the same period in 2021.

Other Income

Other income and gains primarily consist of (i) bank interest income; (ii) investment income from financial assets at fair value through profit or loss; and (iii) government subsidy. The Group recorded other income and gains of approximately RMB26.0 million for the six months ended 30 June 2022, compared to approximately RMB1.8 million for the same period in 2021. The increase was primarily attributable to (i) an increase in interest income derived from demand deposits; and (ii) recognition of government subsidy.

Selling and Distribution Expenses

The Group's selling and distribution expenses primarily consist of (i) expenses for promotion activities to drive user growth and engagement; (ii) employee benefit expenses relating to salaries and benefits for employees in selling and distribution functions; and (iii) other expenses primarily relating to business development expenses. The Group's selling and distribution expenses increased by approximately 6.2% from approximately RMB15.2 million for the six months ended 30 June 2021 to approximately RMB16.1 million for the same period in 2022, primarily due to the increase in the number of the Group's sales personnel.

Administrative Expenses

The Group's administrative expenses primarily consist of (i) research and development costs primarily relating to salaries and benefits for employees in research and development functions; (ii) employee benefit expenses relating to salaries and benefits for employees in management as well as general and administrative functions; (iii) depreciation of assets, which includes depreciation of right-of-use assets relating to the Group's leases and depreciation of property, plant and equipment, (iv) taxes and surcharges; (v) maintenance expenses primarily relating to technology and telecommunication service fees, as well as service fees for outsourced administrative services, (vi) impairment of trade receivables; (vii) other expenses primarily relating to rent, travel and transportation expenses and general office expenses; and (viii) listing expenses. The Group's administrative expenses increased by approximately 14.9% from approximately RMB44.4 million for the six months ended 30 June 2021 to approximately RMB51.0 million for the same period in 2022, primarily due to recognition of (i) increased expenses in maintaining and upgrading the *Medlive* platform; (ii) share-based compensation to key employees in research and development, management as well as general and administrative functions; (iii) increase in research and development fees; and (iv) increase in fees payable to intermediaries such as auditors, legal advisers, compliance adviser and company secretarial service provider after the Company's listing.

Finance Costs

The Group's finance costs consist of finance costs allocated from lease payments. Finance costs are charged to profit or loss over the lease periods so as to produce a constant periodic rate of interest on the remaining balance of the liabilities for each period. Lease liabilities decrease over the periods of the leases, resulting in higher finance costs at the beginning of lease periods. The Group's finance costs increased by approximately 22.1% from approximately RMB0.2 million for the six months ended 30 June 2021 to approximately RMB0.3 million for the same period in 2022, as the Group increased its rental space area.

Profit Before Tax

As a result of the foregoing, the Group's profit before tax decreased by approximately 7.1% from approximately RMB36.5 million for the six months ended 30 June 2021 to approximately RMB33.9 million for the same period in 2022.

Income Tax Expenses

The Group's income tax expense decreased by approximately 63.0% from approximately RMB16.8 million for the six months ended 30 June 2021 to approximately RMB6.2 million for the same period in 2022, primarily because there was no withholding tax provision for special dividend in 2022.

Profit for the Period and Profit Attributable to Owners of the Parent

As a result of the foregoing, the Group's profit for the period increased by approximately 40.8% from approximately RMB19.6 million for the six months ended 30 June 2021 to approximately RMB27.7 million for the same period in 2022 and the Group's profit attributable to owners of the parent increased by approximately 37.3% from approximately RMB19.6 million to approximately RMB27.0 million.

The Group's net profit margin (calculated on the basis of the profit for the period) increased by 6 percentage points from approximately 15.0% for the six months ended 30 June 2021 to approximately 21.0% for the same period in 2022.

Non-HKFRS Measures — Adjusted Net Profit

To supplement the Group's consolidated financial statements which are presented in accordance with Hong Kong Financial Reporting Standards (“**HKFRS**”), the Company also used unaudited non-HKFRS adjusted net profit as an additional financial measure in order to evaluate its financial performance by eliminating the impact of items that it does not consider indicative of the performance of its business. The term “adjusted net profit” is not defined under HKFRS. Other companies in the industry which the Group operates in may calculate such non-HKFRS item differently from the Group. The use of adjusted net profit has material limitations as an analytical tool, as adjusted net profit does not include all items that impact the Group's net profit for the Reporting Period and should not be considered in isolation or as a substitute for analysis of the Group's results as reported under HKFRS.

The following table sets out the calculation of adjusted net profit for the periods indicated:

	Six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
Profit for the period	27,665	19,645
Add:		
Listing-related expenses	—	19,649
Share-based compensation	10,629	4,752
One-off withholding tax	—	7,116
Foreign exchange difference	15,660	4
	<hr/>	<hr/>
Adjusted net profit	<u>53,954</u>	<u>51,166</u>

The adjusted net profit for the six months ended 30 June 2022, adjusted by excluding share-based compensation to key employees and foreign exchange difference, was approximately RMB54.0 million, which was approximately 5.4% higher than the adjusted net profit of approximately RMB51.2 million for the first half of 2021.

The adjusted net profit margin for the six months ended 30 June 2022 was approximately 40.9%, up 1.7 percentage points from approximately 39.2% for the same period in 2021.

Liquidity and Capital Resources

For the six months ended 30 June 2022, the Group financed its operations primarily through cash generated from the Group's operating activities and the net proceeds received from the global offering of shares of the Company (the "**Global Offering**"). The Group intends to finance its expansion and business operations using a combination of cash generated from operating activities and the net proceeds received from the Global Offering.

The Group has adopted a prudent financial management approach towards its treasury policy. The Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities, and other commitments can meet its funding requirements from time to time.

The net proceeds received by the Company from the Global Offering which are not yet put into use have been placed in short-term deposits with licensed financial institutions. The Company will consider purchasing wealth management products only if such investments are safe and can produce a better return to the Company than bank deposits.

Cash and cash equivalents

The Group operates its business in the PRC and its transactions and revenue were primarily denominated in Renminbi. As such, the Group did not have material exposure to fluctuations in foreign currency exchange rates for cash generated from its operating activities. However, the net proceeds received by the Company from the Global Offering are denominated in Hong Kong dollars and the Company is exposed to fluctuation of exchange rate between Renminbi and Hong Kong dollars. The Group received net proceeds of approximately HK\$4,071.1 million from its Global Offering in July 2021 and an additional net proceeds of approximately HK\$606.0 million from the exercise of the over-allotment option in connection with the Global Offering in August 2021. On 18 June 2021, the Group declared a special interim dividend of RMB92.0 million to the shareholders on its register of members as of the same date, namely, Tiantian Co., Limited and M3, Inc. and the special interim dividend has been paid in the second half of 2021. As of 30 June 2022, the Group had cash and cash equivalents of approximately RMB4,048.4 million, which primarily consisted of cash at bank, as compared to approximately RMB3,879.1 million as of 31 December 2021.

The Group currently does not have any hedging policy for foreign currencies in place. However, the Board will remain alert to any relevant risks and, if necessary, consider to hedge any material potential foreign exchange risk.

Borrowings

During the six months ended 30 June 2022, the Group did not have any short-term or long-term bank borrowings and had no outstanding bank and other borrowings and other indebtedness apart from lease liabilities for the relevant lease terms amounting to approximately RMB13.8 million in aggregate.

Gearing ratio

The gearing ratio, which is calculated by dividing borrowings by total equity, was zero since there was no debt as of 30 June 2022.

Charge on assets

As of 30 June 2022, the Group did not pledge any of its assets.

Capital expenditures

For the six months ended 30 June 2022, the Group's capital expenditure amounted to approximately RMB45.6 million, which mainly comprised capital expenditures recorded for the acquisition of 60% interest in each of Beijing Medcon and Beijing Focus Innovation Technology Co., Ltd.* (北京專注創新科技有限公司) (“**Beijing Focus**”) and expenditures on IT equipment, as compared to approximately RMB0.9 million for the same period in 2021. The Group funded its capital expenditure by using the cash flow generated from its operations and the net proceeds received from the Global Offering.

Contingent liabilities and guarantees

As of 30 June 2022, the Group did not have any significant unrecorded contingent liabilities, guarantees or any material litigation against the Group.

Material acquisitions or disposals and future plans for major investment

On 8 June 2022, Kingyee (Beijing) Co., Ltd. (金葉天成 (北京) 科技有限公司) (“**Kingyee Beijing**”), an indirect wholly-owned subsidiary of the Company, entered into an equity transfer agreement pursuant to which Kingyee Beijing acquired 60% equity interest of Beijing Focus for a cash consideration of RMB48,000,000.

Through its own brand projects, Beijing Focus works with resources received from authoritative medical institutions and top-tier academics and experts to plan and publish medicine guidelines and medical consensus based on market demand, and comprehensively publicizes medicine guidelines through various conferences and publications.

The sellers of the 60% interests in Beijing Focus have undertaken to ensure that the accumulated audited net profit of Beijing Focus for the three years ending 31 December 2022, 2023 and 2024 in total shall be no less than RMB28,150,000 (the “**Guaranteed Profit**”). The cash consideration of RMB48,000,000 is payable in four instalments. The first instalment of RMB24,001,000 has been paid. The remaining amount is payable over the next three years after the audited financial results of the Group and Beijing Focus for the relevant year have been issued. The consideration may be adjusted downwards if the Guaranteed Profit is not met.

The sellers have also granted an option to Kingyee Beijing so that if less than 50% of the Guaranteed Profit is met, Kingyee Beijing has the right, but not an obligation, to require the sellers to repurchase interests in Beijing Focus held by Kingyee Beijing. Further details of the acquisition are set out in the Company's announcement dated 8 June 2022.

* For identification purposes only

The acquisition completed in June 2022. After the acquisition, both parties jointly develop clinical guidelines/consensus formulation based on expert resources in the fields of psychiatry, lung cancer, lymphoma, urologic oncology, etc., and will accelerate the formulation of guidelines/consensus. At the same time, the guidelines/consensus prepared by Beijing Focus has been put on the *Medlive Clinical Guideline* channel to increase the number of contents, and some of the guideline interpretation contents are also gradually being put on the *Medlive* platform to increase the number of *Medlive* guideline interpretation contents.

The Group will continue to selectively pursue suitable strategic investments and acquisitions that can generate convincing synergies with the Group's existing solutions offerings, expand its customer base and/or enhance its technological capabilities. The Group will utilize proceeds from the Global Offering for the purpose of any such acquisition.

Employees and Staff Costs

As of 30 June 2022, the Group had a total of 614 full time employees, all of whom were located in mainland China. In particular, 132 employees are responsible for the Group's content management, 200 employees for platform operation and customer service, 149 employees for research and development, 66 employees for general and administration and 67 employees for sales and marketing. The total staff cost incurred by the Group for the six months ended 30 June 2022 was approximately RMB67.8 million compared to approximately RMB38.2 million for the same period in 2021. The increase was primarily due to the recognition of approximately RMB10.6 million share-based compensation to key employees.

The Group provides orientation and training to new recruits as well as ongoing in-house training for junior employees, which the Group believes can enhance the skills and productivity of its employees. The Group compensates employees with base salaries and performance-based bonuses. The Company has also adopted a pre-IPO share option scheme, a post-IPO share option scheme and a share award scheme to incentivize employees and senior management and to align their interests with that of the Company.

Further details of the principal terms of the abovementioned share incentive schemes are set out in the 2021 annual report of the Company.

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June

	Notes	2022 (Unaudited) RMB'000	2021 (Unaudited) RMB'000
REVENUE	4	131,953	130,661
Cost of sales		<u>(40,710)</u>	<u>(36,156)</u>
Gross profit		91,243	94,505
Other income and gains	4	26,033	1,843
Selling and distribution expenses		(16,115)	(15,180)
Administrative expenses		(50,988)	(44,395)
Other expenses		(16,000)	(69)
Finance costs		<u>(282)</u>	<u>(231)</u>
PROFIT BEFORE TAX	5	33,891	36,473
Income tax expense	6	<u>(6,226)</u>	<u>(16,828)</u>
PROFIT FOR THE PERIOD		<u>27,665</u>	<u>19,645</u>
Attributable to:			
Owners of the parent		26,973	19,645
Non-controlling interests		<u>692</u>	<u>—</u>
		<u>27,665</u>	<u>19,645</u>

		2022	2021
		(Unaudited)	(Unaudited)
	<i>Note</i>	RMB'000	RMB'000
OTHER COMPREHENSIVE INCOME			
<i>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:</i>			
Exchange differences on translation of the Company's financial statements into presentation currency		<u>191,838</u>	<u>27</u>
OTHER COMPREHENSIVE INCOME FOR THE PERIOD		<u>191,838</u>	<u>27</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>219,503</u>	<u>19,672</u>
Attributable to:			
Owners of the parent		218,811	19,672
Non-controlling interests		<u>692</u>	<u>—</u>
		<u>219,503</u>	<u>19,672</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic	8	<u>RMB3.78 cents</u>	<u>RMB3.67 cents</u>
Diluted	8	<u>RMB3.65 cents</u>	<u>RMB3.58 cents</u>

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		30 June	31 December
		2022	2021
		(Unaudited)	(Audited)
	<i>Notes</i>	RMB'000	RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		3,384	3,301
Right-of-use assets		14,021	13,569
Goodwill		108,864	69,723
Other intangible assets		19,215	9,303
Investment in an associate		343	343
Deferred tax assets		8,444	6,333
Advance payments for property, plant and equipment		633	—
Total non-current assets		154,904	102,572
CURRENT ASSETS			
Inventories		211	94
Trade receivables	9	68,584	76,210
Contract assets		33,704	19,660
Prepayments, other receivables and other assets		8,449	8,281
Financial assets at fair value through profit or loss		29,640	29,640
Cash and cash equivalents		4,048,419	3,879,104
Total current assets		4,189,007	4,012,989
CURRENT LIABILITIES			
Trade payables	10	3,331	6,219
Other payables and accruals		68,871	58,740
Contingent consideration payables		15,290	19,818
Lease liabilities		5,297	4,207
Tax payable		27,125	24,223
Total current liabilities		119,914	113,207
NET CURRENT ASSETS		4,069,093	3,899,782
TOTAL ASSETS LESS CURRENT LIABILITIES		4,223,997	4,002,354

	30 June	31 December
	2022	2021
	(Unaudited)	(Audited)
<i>Note</i>	RMB'000	RMB'000
TOTAL ASSETS LESS		
CURRENT LIABILITIES	<u>4,223,997</u>	<u>4,002,354</u>
NON-CURRENT LIABILITIES		
Lease liabilities	8,499	8,962
Contingent consideration payables	22,837	18,491
Deferred tax liabilities	<u>4,241</u>	<u>2,708</u>
Total non-current liabilities	<u>35,577</u>	<u>30,161</u>
Net assets	<u>4,188,420</u>	<u>3,972,193</u>
EQUITY		
Equity attributable to owners of the parent		
Share capital	<i>11</i>	44
Reserves	<u>4,165,965</u>	<u>3,948,658</u>
	4,166,009	3,948,702
Non-controlling interests	<u>22,411</u>	<u>23,491</u>
Total equity	<u>4,188,420</u>	<u>3,972,193</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1. Basis of preparation

The interim condensed consolidated financial information for the six months ended 30 June 2022 has been prepared in accordance with HKAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2021.

2 Changes in accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's consolidated financial statements for the year ended 31 December 2021, except for the adoption of the following revised Hong Kong Financial Reporting Standards ("HKFRSs") for the first time for the current period's financial information.

Amendments to HKFRS 3	<i>Reference to the Conceptual Framework</i>
Amendments to HKAS 16	<i>Property, Plant and Equipment: Proceeds before Intended Use</i>
Amendments to HKAS 37	<i>Onerous Contracts — Cost of Fulfilling a Contract</i>
<i>Annual Improvements to HKFRSs 2018–2020</i>	Amendments to HKFRS 1, HKFRS 9, Illustrative Example accompanying HKFRS 16, and HKAS 41

The directors do not anticipate that the application of the revised HKFRSs above will have a material effect on the Group's interim condensed consolidated financial information.

3. Operating segment information

For management purposes, the Group is not organised into business units based on their services and only has one reportable operating segment. Management monitors the operating results of the Group's operating segment as a whole for the purpose of making decisions about resource allocation and performance assessment.

4. Revenue, other income and gains

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2022	2021
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Revenue from contracts with customers	<u>131,953</u>	<u>130,661</u>

Revenue from contracts with customers

(a) Disaggregated revenue information

	For the six months ended 30 June	
	2022	2021
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Type of goods or services		
Precision marketing and corporate solutions	118,432	117,245
Medical knowledge solutions	6,424	5,879
Intelligent patient management solutions	7,097	7,537
	<u>131,953</u>	<u>130,661</u>
Geographical markets		
Mainland China	122,353	125,331
Overseas	9,600	5,330
	<u>131,953</u>	<u>130,661</u>
Timing of revenue recognition		
Services transferred at a point in time	97,598	86,411
Services transferred over time	34,355	44,250
	<u>131,953</u>	<u>130,661</u>

(b) Performance obligation

Information about the Group's performance obligation is summarised below:

Application software development service

The performance obligation is satisfied over time as services are rendered or at the point in time when services are accepted according to the agreement. Payment is generally due within 120 days from the date of billing, except for certain customers, where payment in advance is required.

Software licensing service

The performance obligation is satisfied over time as services are rendered and payment in advance is normally required.

Patient counselling service

The performance obligation is satisfied over time as services are rendered and payment is generally due within 180 days from the date of billing.

Other services

The performance obligation is satisfied at a point in time when the individual service is rendered and payment is generally due within 180 days from the date of billing.

An analysis of other income and gains is as follows:

	For the six months ended 30 June	
	2022	2021
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Other income		
Bank interest income	19,514	1,097
Government grants*	5,476	732
Investment income from financial assets at fair value through profit or loss	384	—
Others	659	14
	26,033	1,843

- * The government grants mainly represent incentives awarded by the local governments to support the Group's operation. There were no unfulfilled conditions or contingencies attached to these grants.

5. Profit before tax

The Group's profit before tax is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2022 (Unaudited) RMB'000	2021 (Unaudited) RMB'000
Cost of services provided	40,669	36,156
Cost of inventories sold	41	—
Depreciation of property, plant and equipment	663	1,362
Depreciation of right-of-use assets	2,899	1,426
Amortisation of other intangible assets	546	—
Research and development costs	16,844	9,199
Impairment of trade receivables, net	155	265
Government grants	(5,476)	(732)
Listing expenses	—	19,649
Loss on disposal of items of property, plant and equipment	8	64
Foreign exchange difference, net	15,660	4
Fair value adjustment of contingent consideration	330	—
Equity-settled share award expense	10,629	4,752
	<u>10,629</u>	<u>4,752</u>

6. Income tax expense

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

The Group calculates the income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the interim condensed consolidated statement of profit or loss and other comprehensive income are:

	For the six months ended 30 June	
	2022	2021
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Current tax — Mainland China charge for the period	7,944	9,776
Deferred tax	(1,718)	7,052
Total tax charge for the period	<u>6,226</u>	<u>16,828</u>

7. Dividends

On 10 June 2022, a final dividend for the year ended 31 December 2021 of RMB1.70 cents per ordinary share (2020: Nil), amounting to RMB12,133,000, has been approved by the shareholders at the annual general meeting of the Company. The 2021 final dividend was paid in July 2022.

8. Earnings per share attributable to ordinary equity holders of the parent

The calculation of the basic earnings per share amount is based on the profit attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 713,225,500 (2021: 535,080,000) in issue during the period. The number of shares for the current period has been arrived at after eliminating the shares held under the share award scheme.

The calculation of the diluted earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings per share are based on:

	For the six months ended 30 June	
	2022	2021
	(Unaudited)	(Unaudited)
	<i>RMB'000</i>	<i>RMB'000</i>
Earnings		
Profit attributable to ordinary equity holders of the parent	<u>26,973</u>	<u>19,645</u>

	For the six months ended 30 June	
	2022	2021
	(Unaudited)	(Unaudited)
	<i>RMB'000</i>	<i>RMB'000</i>

Shares

Weighted average number of ordinary shares in issue used in the basic earnings per share calculation	713,225,500	535,080,000
Effect of dilution — weighted average number of ordinary shares:		
Share options	25,650,856	13,027,678
Share awards	<u>—</u>	<u>—</u>
	<u>738,876,356</u>	<u>548,107,678</u>

9. Trade receivables

	30 June	31 December
	2022	2021
	(Unaudited)	(Audited)
	<i>RMB'000</i>	<i>RMB'000</i>
Trade receivables	69,785	77,256
Impairment	<u>(1,201)</u>	<u>(1,046)</u>
	<u>68,584</u>	<u>76,210</u>

The Group's trading terms with its customers are mainly on credit. The credit terms granted generally ranged up to 180 days, depending on the specific payment terms in each contract. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the Reporting Period, based on the invoice date and net of loss allowance, is as follows:

	30 June 2022 (Unaudited) RMB'000	31 December 2021 (Audited) RMB'000
Within 6 months	63,456	72,105
6 to 12 months	4,391	3,816
1 to 2 years	714	264
2 to 3 years	23	25
	<u>68,584</u>	<u>76,210</u>

10. Trade payables

An ageing analysis of the trade payables as at the end of the Reporting Period, based on the invoice date, is as follows:

	30 June 2022 (Unaudited) RMB'000	31 December 2021 (Audited) RMB'000
Within 3 months	709	4,658
3 to 6 months	140	128
6 to 12 months	1,093	22
Over 1 year	1,389	1,411
	<u>3,331</u>	<u>6,219</u>

Included in the Group's trade payables were amounts due to M3, Inc., a shareholder of the Company of RMB92,000 (31 December 2021: RMB1,464,000), which are repayable on demand.

The trade payables are non-interest-bearing and are normally settled within twelve months.

11. Share capital

	30 June 2022 (Unaudited) US\$	31 December 2021 (Audited) US\$
Authorised: 50,000,000,000 ordinary shares of US\$0.00001 each	<u>500,000</u>	<u>500,000</u>
Issued and fully paid: 713,725,500 (2021: 713,225,500) ordinary shares of US\$0.00001 each	7,137	7,132
Equivalent to RMB	<u>44,000</u>	<u>44,000</u>

On 21 January 2022, the Company issued 500,000 ordinary shares with par value of US\$0.00001 each pursuant to the share award scheme of the Company adopted by the board of directors with effect from 24 December 2021.

12. Commitments

At the end of the Reporting Period, the Group did not have any significant commitments.

OTHER INFORMATION

INTERIM DIVIDEND

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2022 (six months ended 30 June 2021: Nil).

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any listed securities of the Company during the Reporting Period.

USE OF PROCEEDS FROM THE GLOBAL OFFERING

The shares of the Company were listed on the Stock Exchange on 15 July 2021. The net proceeds from the Company's global offering (including the exercise of the over-allotment option) was approximately HK\$4,677 million, which will be utilized for the purposes as set out in the prospectus of the Company dated 30 June 2021 (the "Prospectus") and there is no change to the intended use of proceeds as disclosed in the Prospectus. The following table shows a summary of the intended use of the net proceeds and the utilization as at 30 June 2022:

Intended use of net proceeds	Amounts expected to be utilized as disclosed in the Prospectus (HK\$ millions)	Utilization as at 30 June 2022 (HK\$ millions)	Remaining balance as at 30 June 2022 (HK\$ millions)	Expected time of use
A. Business Expansion				
(1) enhance medical knowledge solutions of the Company and enrich medical knowledge information and tools on the platform of the Company	561.3	6.6	554.7	before December 2025
(2) improve patient care offerings	467.7	0.0	467.7	before December 2025
(3) strengthen intelligent clinical research solutions	374.2	0.0	374.2	before December 2023

Intended use of net proceeds	Amounts expected to be utilized as disclosed in the Prospectus (HK\$ millions)	Utilization as at 30 June 2022 (HK\$ millions)	Remaining balance as at 30 June 2022 (HK\$ millions)	Expected time of use
(4) strengthen the relationships with the existing customers of the Company and develop and attract additional customers in pharmaceutical, biotechnology and medical device industries	327.4	19.5	307.9	before December 2025
(5) enhance user growth and engagement through targeted sales and marketing activities	140.3	10.5	129.8	before December 2025
B. Investment in technology and enhancement of research and development capabilities				
(1) recruit talent and collaborate with experts	701.6	30.8	670.8	before December 2023
(2) develop and expand the application scenarios of technology of the Company, particularly, machine learning, natural language processing, knowledge graph and user understanding	467.7	0.6	467.1	before December 2025
(3) build up the data center of the Company and strengthen the computing power and storage capabilities of the IT infrastructure of the Company	233.9	3.4	230.5	before June 2023
C. Pursue strategic investments or acquisitions opportunities	935.5	102.1	833.4	N/A
D. General replenishment of the working capital of the Company and for other general corporate purposes	467.7	94.3	373.4	N/A
Total	<u>4,677.3</u>	<u>267.8</u>	<u>4,409.5</u>	

As at 30 June 2022, unutilised proceeds were deposited with licensed financial institutions.

EVENTS AFTER THE REPORTING PERIOD

There was no important event affecting the Group which occurred after the end of the Reporting Period up to the date of this announcement.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the Reporting Period, the Company has complied with the applicable code provisions as set forth in the Corporate Governance Code contained in Appendix 14 (the “**Corporate Governance Code**”) to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), except for a deviation from code provision C.2.1 which requires that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

Ms. Tian Liping (“**Ms. Tian**”) is the chairwoman and chief executive officer of the Company. With extensive experience in the medical information technology industry, Ms. Tian is responsible for formulating and implementing the overall development strategies and business plans of the Group and oversees the overall development and operations of the Group. Ms. Tian founded the Group in 1996 and is instrumental to the Company’s growth and business expansion since its establishment. The Board considers that vesting the roles of chairwoman and chief executive officer in the same person is beneficial to the management of the Group. The balance of power and authority is ensured by the operation of the senior management and the Board, which comprises experienced and high-calibre individuals. The Board currently comprises four executive directors (including Ms. Tian), two non-executive directors and three independent non-executive directors and therefore, in the Company’s view, has an appropriate level of independence element in its composition.

The Board will continue to review and monitor the practices of the Company for the purpose of complying with the Corporate Governance Code and maintaining a high standard of corporate governance practices of the Company.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the “Model Code for Securities Transactions by Directors of Listed Issuers” (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules as its code of conduct regarding directors’ securities transactions. All directors have confirmed, following specific enquiry by the Company, that they have complied with the Model Code during the Reporting Period.

AUDIT COMMITTEE

The Company has established the Audit Committee with written terms of reference in compliance with the Rule 3.21 of the Listing Rules and the Corporate Governance Code. As of the date of this announcement, the Audit Committee comprises three independent non-executive directors of the Company, namely, Ms. Wang Shan, Mr. Richard Yeh and Dr. Ma Jun. Ms. Wang Shan is the chairwoman of the Audit Committee.

The Audit Committee has reviewed the Interim Results, and confirms that the applicable accounting principles, standards and requirements have been complied with, and that adequate disclosures have been made.

CHANGE IN DIRECTORS' BIOGRAPHICAL DETAILS UNDER RULE 13.51B(1) OF THE LISTING RULES

Mr. Richard Yeh, an independent non-executive director of the Company, ceased to be an executive director, the chief financial officer and the head of strategic operations of Abbisko Cayman Limited (stock code: 2256) from April 2022 and commencing from May 2022, Mr. Yeh serves as an executive director and the chief operating officer of I-Mab Biopharma (Shanghai) Co., Ltd. (NASDAQ: IMAB).

Save as disclosed above, there has been no change in the directors' biographical details which are required to be disclosed pursuant to rule 13.51B(1) of the Listing Rules.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This announcement is published on the website of the Stock Exchange (<http://www.hkexnews.hk>) and that of the Company (<http://ir.medlive.cn>). The interim report of the Company for the six months ended 30 June 2022 will be despatched to the shareholders of the Company and will be available on the website of the Stock Exchange and that of the Company in due course.

By order of the Board
Medlive Technology Co., Ltd.
Tian Liping
Chairwoman and Chief Executive Officer

Hong Kong, 25 August 2022

As of the date of this announcement, the Board comprises Ms. Tian Liping, Mr. Tian Lixin, Mr. Tian Lijun and Ms. Zhou Xin as executive directors; Mr. Eiji Tsuchiya and Dr. Li Zhuolin as non-executive directors; and Mr. Richard Yeh, Dr. Ma Jun and Ms. Wang Shan as independent non-executive directors.