WUXI XDC CAYMAN INC.

藥明合聯生物技術有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2268)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2024

FINANCIAL HIGHLIGHTS

	2024	2023	Change
	RMB'000	*RMB'000*	
Revenue	**4,052,320**	2,123,839	90.8%
Gross profit	**1,239,846**	559,558	121.6%
Gross profit margin	**30.6%**	26.3%	
Net profit attributable to owners of the Company	**1,069,622**	283,538	277.2%
Margin of net profit attributable to owners of the Company	**26.4%**	13.4%	
Adjusted net profit attributable to owners of the Company*(Note)*	**1,174,005**	412,269	184.8%
Margin of adjusted net profit attributable to owners of the Company	**29.0%**	19.4%	
	RMB	*RMB*	
Earnings per share			
— Basic	**0.89**	0.28	217.9%
— Diluted	**0.83**	0.26	219.2%
Adjusted earnings per share			
— Basic	**0.98**	0.40	145.0%
— Diluted	**0.91**	0.38	139.5%

The Group achieved impressive results for the year ended December 31, 2024. The Group's revenue and gross profit exhibited strong growth, increasing by 90.8% and 121.6% year-on-year to RMB4,052.3 million and RMB1,239.8 million, respectively, for the year ended December 31, 2024. In addition, net profit attributable to owners of the Company has increased to RMB1,069.6 million for the year ended December 31, 2024, a year-on-year increase of 277.2%, while adjusted net profit attributable to owners of the Company*(Note)* also exhibited strong growth, rising to RMB1,174.0 million for the year ended December 31, 2024, which represents a year-on-year increase of 184.8%.

The Board does not recommend any payment of final dividend for the year ended December 31, 2024.

Note: *Adjusted net profit attributable to owners of the Company is calculated as net profit attributable to owners of the Company (an IFRS measure) after elimination of listing expenses as a non-recurring item and share-based compensation expense as a non-cash item. It is intended to be used as a supplement to the Group's annual results prepared in accordance with IFRS and is not intended to be considered in isolation or as a substitute for IFRS net profit attributable to owners of the Company. For a fuller discussion of non-IFRS measures, including the intended uses of these measures and the calculation and reconciliation thereof to the corresponding IFRS measures, please see "Management Discussion and Analysis — Financial Review — Non-IFRS Measures".*

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group continued to experience rapid and robust business growth in 2024, building upon the strong foundation achieved in 2023. As a leading player in the thriving, innovative global bioconjugates industry, the Group aims to maintain its rapid business growth by providing world-class bioconjugates CRDMO services and empowering its global partners to accelerate and transform ADC and broader bioconjugate development.

The Group's CRDMO business extended strong momentum throughout 2023 and 2024 with continuous active business expansion and increased demand from customers globally for its services. As at December 31, 2024, the Group has cumulatively served 499 customers worldwide via the provision of integrated services backed up by its comprehensive CRDMO capabilities and facilities equipped with "All-in-One" capabilities spanning from drug discovery to commercialization. Notably, the Group has successfully secured 8 process performance qualifications (the "**PPQ**") projects and 1 commercial stage project.

In recognition of its excellence, the Company has been the winner of the "Best CDMO" Prize at the World ADC Awards consecutively in 2023 and 2024. The continuous growth of the Group, signified by its awards and achievements, underscores the Company's global leadership in providing integrated services driven by and combined with technological innovation, and strong Chemistry, Manufacturing and Controls (CMC) expertise for ADC and broader bioconjugates.

To ensure that the Group is well-positioned to continuously grow its market share as well as to capture the rapidly increasing global demands for bioconjugates CRDMO services, it continued to expand its manufacturing capacities and acquire talents throughout the Reporting Period. The announced Wuxi site expansion and the construction of the new site in Singapore by the Group are both making solid progress as planned, which will bring additional mAb, DS and DP production lines, laboratories and office space upon completion.

As at December 31, 2024, the Group had 2,041 full-time employees, representing a year-on-year increase of 73.3% as compared to December 31, 2023.

Overall Performance for ADC CRDMO

During the Reporting Period, the Group's ADC CRDMO business model continued to fuel robust growth, guided by its "enable, follow and win the molecule" strategy. Leveraging on its fully integrated, one-stop bioconjugate platform and global footprint, the Group has a large number of ongoing integrated projects for ADCs and other bioconjugates. The Group has achieved exceptional growth and delivered the following outstanding results:

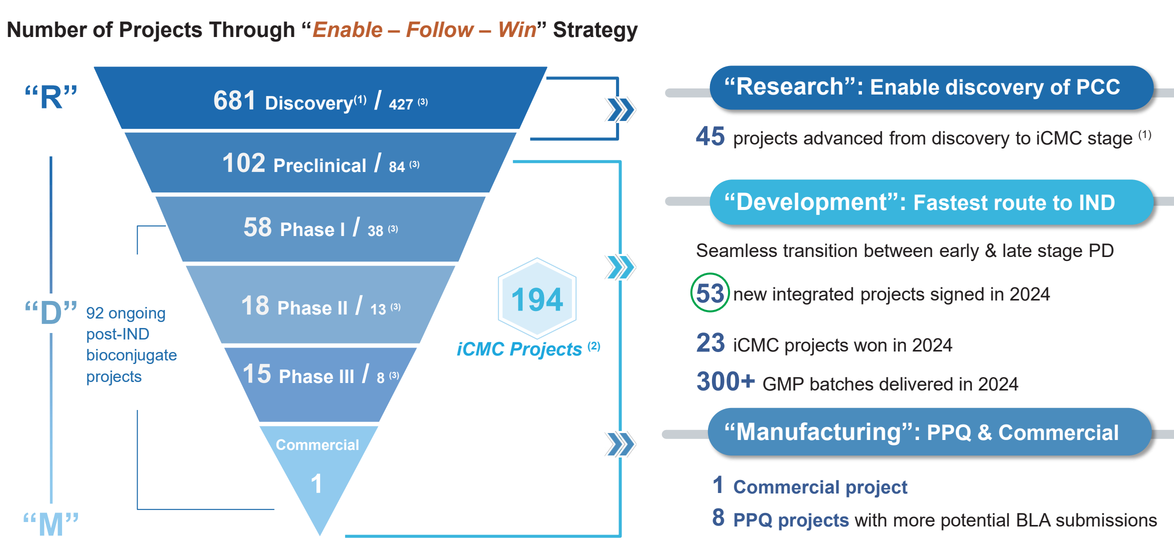
- Revenue for the year ended December 31, 2024 increased by 90.8% year-on-year to RMB4,052.3 million.
- Gross profit for the year ended December 31, 2024 increased by 121.6% year-on-year to RMB1,239.8 million.
- Net profit for the year ended December 31, 2024 increased by 277.2% year-on-year to RMB1,069.6 million.
- Adjusted net profit for the year ended December 31, 2024 increased by 184.8% year-on-year to RMB1,174.0 million.
- Adjusted net profit before interest income and expense[*(Note)*] for the year ended December 31, 2024 increased by 171.3% year-on-year to RMB992.0 million.
- 53 integrated projects were signed during the Reporting Period.
- The total number of integrated projects increased from 143 as at December 31, 2023 to 194 as at December 31, 2024.
- The total number of ongoing post-IND projects increased from 59 as at December 31, 2023 to 92 as at December 31, 2024.
- The total number of phase II and beyond projects increased from 21 as at December 31, 2023 to 34 as at December 31, 2024. Among these projects, 8 PPQ projects and 1 commercial stage project were scheduled within the Group's site in Wuxi, China as at December 31, 2024.
- The Group also moved forward 45 projects from discovery to iCMC stage cumulatively during the Reporting Period.

Note: Adjusted net profit is calculated as net profit attributable to owners of the Company (an IFRS measure) after elimination of listing expenses as a non-recurring item and share-based compensation expense as a non-cash item, whereas adjusted net profit before interest income and expense is calculated as net profit (an IFRS measure) after elimination of interest income (including interest income from bank balances, short-term bank deposits and time deposits) and expense as a non-operating item. They are non-IFRS measures intended to supplement to the Group's annual results prepared in accordance with IFRS and is not intended to be considered in isolation or as a substitute for IFRS net profit of the Company. For a fuller discussion of non-IFRS measures, including the intended uses of these measures and the calculation and reconciliation thereof to the corresponding IFRS measures, please see "Management Discussion and Analysis — Financial Review — Non-IFRS Measures".

- The cumulative total number of drug discovery stage projects executed by the Group since inception increased from 427 as at December 31, 2023 to 681 as at December 31, 2024.

- The Group's effective execution of the "win the molecule" strategy cumulatively brought 69 external projects into the pipeline since the inception of the Group.

The following funnel diagram sets forth the developmental stages and other details of ongoing integrated projects as at December 31, 2024. From its inception through December 31, 2024, the Group has executed a cumulative total of 681 discovery projects. These discovery projects are regarded as strategically and critically important project inflow for the Group, as they help facilitate the establishment of long-term customer relationships with such clients and are expected to be instrumental in winning integrated projects for the Group in the future. As at December 31, 2024, the Group had 194 ongoing integrated projects. The Group helped customers to submit IND applications for (i) 83 ADC candidates and 2 XDC candidates globally since its inception up to and including December 31, 2024, and (ii) 28 ADC candidates and 2 XDC candidates globally during the year ended December 31, 2024.



Notes:

1 Cumulative number of projects since the Group's inception and as at December 31, 2024.

2 Number of ongoing integrated CMC projects as at December 31, 2024.

3 The small-sized figures account for the number of projects as at December 31, 2023, save for the number of projects at discovery stage which is cumulative from the Group's inception up until December 31, 2023.

The following table sets forth the details of ongoing projects by each development stage. During the year ended December 31, 2024, 28 ongoing post-IND projects were advanced from the pre-IND stage leveraging the Group's ADC CRDMO services.

		As at December 31, 2023		As at December 31, 2024	
Development Stage	**Typical Duration**	**Number of Ongoing Projects**[3]	**Type of Projects**	**Number of Ongoing Projects**[3]	**Type of Projects**
Discovery	N/A[1]	427[4]	ADC (322) and XDC (105)	681[4]	ADC (513) and XDC (168)
Preclinical	1–2 years	84	ADC (77) and XDC (7)	102	ADC (97) and XDC (5)
Clinical	Multiple years[2]	59	ADC (52) and XDC (7)	92	ADC (80) and XDC (12)

Notes:

1. The duration of discovery projects can vary significantly in light of their ad hoc nature and depends on the types of projects at issue. Therefore, there is not a typical range for discovery projects.

2. The typical duration of projects in phase I, II and III stages are 1–3 years, 2–4 years and 3–5 years, respectively.

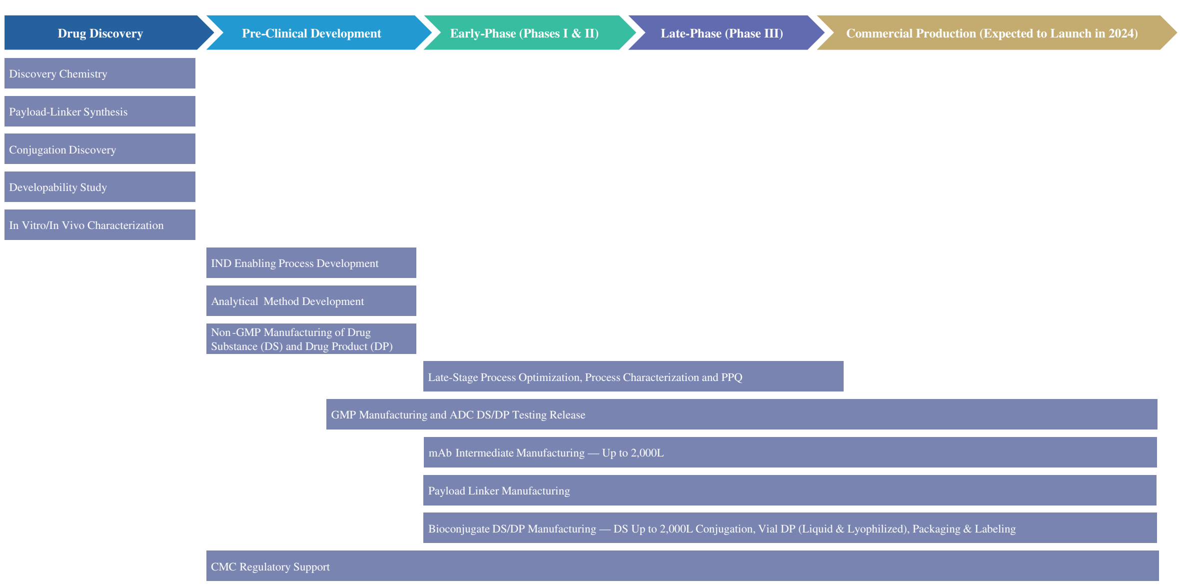
3. "Number of ongoing projects" is the number of integrated projects excluding the number of integrated projects that are inactive or for which the customers notify the Group that they do not intend to further pursue. An integrated project is deemed inactive if the Group has not been requested to provide services for three years.

4. Represents the cumulative number of discovery projects executed from the Group's inception through the indicated date. Since the duration and chance of success of discovery projects can vary significantly due to their early-stage nature, the cumulative number, instead of the ongoing project number, of discovery projects is presented to demonstrate the Group's experience in bioconjugate discovery. As the Group continues to win new drug discovery projects, this is expected to provide the Group with an increasing number of opportunities to compete for and win more cutting-edge XDC projects in addition to traditional ADC projects.

The Group's revenue for the year ended December 31, 2024 increased by 90.8% year-on-year to RMB4,052.3 million, together with a 121.6% year-on-year growth in gross profit to RMB1,239.8 million, and a 184.8% year-on-year increase in adjusted net profit attributable to owners of the Company to RMB1,174.0 million. The Group's total backlog also increased by 71.2% from US$578.6 million as at December 31, 2023 to US$990.8 million as at December 31, 2024. The revenue to be generated from the backlog may take longer to receive at various development stages as it depends on the success rate and progress of the projects which may not be within the Group's control.

The Group's Services

The Group is committed to continuously enhancing its platform, propelling and transforming the development of the bioconjugate industry, enabling global biopharmaceutical partners and benefiting patients worldwide. With its fully integrated, "All-in-One" bioconjugate platform that covers key aspects of bioconjugate CRDMO services, including discovery, process development and GMP manufacturing for bioconjugates, monoclonal antibody intermediates and payload-linkers associated with bioconjugates, the Group empowers its customers at any stage of the development process to advance their projects. Throughout the Reporting Period, the Group's services, based on its "enable, follow and win the molecule" strategy, continued to satisfy the needs of clients/partners in developing their bioconjugates. The following diagram depicts the Group's bioconjugate CRDMO services.



Abbreviations: PPQ = process performance qualification; DS = drug substance; DP = drug product; mAb = monoclonal antibody.

Note: ADC/Bioconjugate CMC scope (process development, analytical method development, manufacturing) includes mAb intermediate for bioconjugate, payload-linker and bioconjugate DS and DP.

Drug Discovery and Process Development

Drug Discovery

ADC discovery is essential to identifying the preclinical ADC drug candidates with the desired properties for preclinical candidate selection. Initially, the Group's discovery chemistry solutions empower customers to screen a variety of chemical payloads and linkers and to select payloads with the desired mechanism of action as well as linkers with different release mechanism of action and physiochemical properties. The conjugation discovery stage conjugates different carrier and payload-linker combinations and utilizes in vitro and in vivo characterization methods to assist customers in assessing whether their drug candidates are appropriate as preclinical candidates. The Group then conducts a developability study to facilitate the selection of suitable preclinical candidates that enables a smooth transition for subsequent development.

The Group has a cumulative total number of 681 projects in the drug discovery stage since inception through December 31, 2024, involving (i) discovery chemistry, (ii) conjugation discovery, (iii) in vitro and in vivo characterization, and (iv) developability study, being 254 projects more than the 427 projects as at December 31, 2023. Drug discovery projects are of fundamental strategic importance, as they enable the Group to establish and deepen relationships with client teams that are conducting cutting-edge research, which is expected to provide the Group with an increasing number of opportunities to compete for and win more cutting-edge XDC projects in addition to traditional ADC projects.

Early-stage Process Development

The Group conducts various IND-enabling studies to optimize the production of ADC and to ensure its manufacturing consistency and successful scale-up. Bioconjugate drug substance development empowers the Group to optimize the process development of various types of bioconjugates, develop scale-up processes and support technology transfer to proceed to GMP manufacturing, IND filing and beyond. Thereafter, bioconjugate formulation process development services facilitate early-stage molecular assessments and develop proper formulations for first-in-human clinical trials and commercial product launches, further supported by additional analytical method development, which characterizes the intermediates at various stages of development.

As at December 31, 2024, the Group has a total of 160 projects in the preclinical and phase I process development phase, involving (i) bioconjugate drug substance development, (ii) bioconjugate formulation process development, and (iii) analytical method development, being 38 projects more than the 122 projects as at December 31, 2023.

Late-stage Development and Process Validation

Leveraging on its in-depth expertise in process development, the Group offers late-stage development and process validation services to help its customers evaluate the late-stage readiness of the developed process. These studies and associated adjustments to the process enable customers to ensure that all assay methods, raw materials, equipment and cleaning methods are validated, and that the developed process for bioconjugate manufacturing delivers consistent product yield and purity within the entire operating range.

As at December 31, 2024, the Group has a total number of 34 projects in phase II and beyond development and process validation, involving process optimization, process characterization and performance qualification, being 13 projects more than the 21 projects as at December 31, 2023. The increase in the number of projects was primarily due to the implementation of the "enable, follow and win the molecule" strategies, which has enabled several early-stage projects to advance into later stages and won new projects during the Reporting Period.

Manufacturing of mAb intermediate, payload-linker, Drug Substance and Drug Product

The Group offers both non-GMP and GMP-compliant manufacturing of bioconjugate drug substance and drug product to cater to its customers' varied needs from the preclinical stage to the post-IND stage. As antibody intermediates are critical components of ADCs and certain other types of bioconjugates, the Group is expanding its capacity in the production of antibodies used for conjugation through expansion of its existing facility in Wuxi, China and is further enhancing its capability through construction of a new facility in Singapore. The Group provides manufacturing services at different scales, including laboratory scale, non-GMP pilot scale and cGMP-compliant commercial scale, to support its customers' non-clinical, clinical and commercialization needs.

As at the date of this announcement, the Group operates domestic sites in Shanghai, Wuxi and Changzhou in China and offers fully integrated and end-to-end bioconjugates CRDMO service capabilities from drug discovery to commercialization, making the Group globally the leading CRDMO dedicated to ADCs and other bioconjugates that provides full-spectrum services.

Over the course of the past year, the Group further expanded its "All-in-One" manufacturing facility in Wuxi. The facility ramped up faster than originally anticipated and attained a 100% delivery success rate with the Group's efforts dedicated to delivering high-quality deliverables to global clients. The Group is able to better coordinate its development and manufacturing operations, manage the supply chain and ensure seamless technology transfer and quality assurance as compared to a typical fragmented third-party service network with services provided from geographically dispersed locations.

The Group's new facility in Singapore is currently under construction and has been advancing according to schedule, where it is expected to commence operations by late 2025. It is anticipated that there will be four production lines at the Singapore site for clinical and commercial manufacturing, including a dual function production line for antibody intermediates for bioconjugates and drug substance, a production line for drug substance, as well as one drug product manufacturing line. The following table summarizes the current and upcoming manufacturing facilities of the Group:

Site	Site Area (sq.m.)	Capacity
Current facilities		
Wuxi	58,749	**Conjugation Drug Substance ("XBCM") Production and Antibody Intermediates Production ("XmAb")** • XBCM1 facility with single-use reactor systems ranging from 5 liters to 500 liters and the redesigned reactor system with additional DS capacity which is expected to launch in 2025. • The dual function XmAb/XBCM2 ("**XBCM2 Line 1**") facility is designed with capacities ranging from 50 liters to 2,000 liters per batch for monoclonal antibody intermediates or 2,000 liters of drug substance per batch. A second line ("**XBCM2 Line 2**"), also with dual function design, commenced operation in November 2024. **Conjugation Drug Product Production ("XDP")** • XDP1 facility is designed to produce three million doses of bioconjugates per year in liquid or lyophilized form (3 million vials, lyophilizer 1x5 m^2 & 1x20 m^2). • XDP2 facility is designed to produce five million doses of bioconjugate drug products per year in liquid or lyophilized form (5 million vials, lyophilizer 1x5 m^2 & 2x20 m^2). • XDP3 facility is designed to produce seven million doses of bioconjugate drug products per year in liquid or lyophilized form (7 million vials, lyophilizer 2x30 m^2) and is expected to commence operation in second quarter of 2025. • XDP5 facility is designed to produce twelve million doses of bioconjugate drug products per year in liquid or lyophilized form (12 million vials, lyophilizer 4x30m^2) and is expected to commence operation in 2027. **Payload Linker ("XPLM")** • XPLM1 facility is designed as a kilogram-scale payload and linker production line.

Site	Site Area (sq.m.)	Capacity
Changzhou	819	**Payload Linker** • Laboratory with a field-tested containment design to safely handle highly potent compounds that are designated as OEB (occupational exposure band) 5-rated materials. • Equipped with reaction kettles for GMP-compliant production with capacity of up to 150 liters per batch, enabling the Group to produce payloads and linkers at a kilogram scale.
Shanghai Waigaoqiao	8,927	**Discovery Lab** • Laboratories for bioconjugate discovery and support functions. **Bioconjugate Process Development Lab** • Bioconjugate process development and analytical method development. Laboratory-scale sample preparation to pilot-scale manufacturing of ADCs and other bioconjugates.
New facility		
Singapore	22,000	**Conjugation Drug Substance Production** • Dual function XmAb/XBCM3 facility is designed with capacity to produce 50 liters to 2,000 liters per batch for monoclonal antibody intermediates, or up to 2,000 liters per batch for bioconjugate drug substance and is expected to commence operation by late 2025. • XBCM4 production line facility with capacity of up to 500 liters of bioconjugate drug substance per batch and is expected to commence operation by late 2025. **Conjugation Drug Product Production** • The XDP4 facility is designed to produce eight million doses of bioconjugates per year in liquid or lyophilized form with 200 to 300 vials per minute for liquid or lyophilized drug products (8 million vials, lyophilizer 1x10 m^2 & 2x30 m^2) and is expected to commence operation by mid 2026.

CMC Regulatory Support

The Group's customers typically need to submit filings with relevant authorities before they can initiate clinical trials for their bioconjugates or commercialize their bioconjugates. The Group supports its customers' regulatory filings by drafting filing dossiers, addressing regulatory questions and conducting cGMP readiness assessments for them. The Group possesses extensive knowledge and experience with regard to regulatory filings in major jurisdictions including China, the United States and Europe. In addition, as a number of payload-linkers in the Group's library have maintained drug master files with the FDA, they are ready for IND filings.

Fully Integrated R&D Technology Platform

The Group is committed to providing cutting-edge conjugation technology, payload-linker technology, early-stage R&D and process development services to meet the diversified needs of its customers. During the Reporting Period, the Group has launched the upgraded proprietary version of the WuXiDARx™ technology, which potentially improves the homogeneity of ADC drugs with flexible DAR choices, enhances process stability, reduces drug development costs, enables more accurate assessment of the ADC clinical efficacy and better safety profile, and broadens the possibilities of different desired DARs of ADC drugs. As at December 31, 2024, the proprietary WuXiDARx™ platform has successfully facilitated customers to bring 7 ADC pipelines from preclinical stage to clinical stage.

In respect of payload-linker innovation, the Group has launched X-LinC technology, which serves as a highly stable connector, designed to improve ADC stability and therapeutic window. The Group is also developing its proprietary hydrophilic linker, an innovative linker designed to improve hydrophilicity and stability. Meanwhile, proprietary CPT payload as well as other novel payloads are also being developed.

In addition to the self-developed technology platform, the Group also collaborates with external partners to incorporate complementary ADC technologies.

Quality Management

The Group's quality assurance department is committed to meeting the high industry standards and requirements and supervises the implementation of quality standards. The Group has established quality control measures for all stages of its operations, covering procurement of raw and auxiliary materials, research and development and process development, as well as manufacturing of bioconjugate intermediates and drug substances and drug products. The Group has adopted a centralized quality assurance system across its "All-in-One" manufacturing facilities, and hence is able to produce high quality deliverables and efficiently allocate risk exposures generated by variables at different stages of the manufacturing process.

All manufacturing operations of the Group are conducted in accordance with the GMP regulations of the FDA, the EMA and the NMPA. As at December 31, 2024, the Group has completed more than 137 GMP audits from global clients, including 16 audits by EU Qualified Persons. The Group believes that these certificates will help manifest the Group's premier quality system that meets global quality standards.

Achievements and Company Awards

The Group ranked No. 2 globally and No. 1 in China among CRDMOs for ADCs and other bioconjugates in terms of revenue in 2022, according to Frost & Sullivan. The Group employs an "enable, follow and win the molecule" strategy to not only grow with its existing customers by providing services from an early stage of their product development cycle, but also win new customers as their bioconjugates progress.

As at December 31, 2023 and 2024, as the result of its "enable" strategy, the Group had cumulatively progressed 36 and 45 ADC candidates, respectively, from discovery to CMC development. As the result of the "win the molecule" strategy, among the 194 ongoing integrated projects the Group had as at December 31, 2024, 69 projects were transferred to the Group from its customers or their outsourcing service providers. The Group's diverse and growing customer base includes both innovative biotechnology companies and global pharmaceutical companies, many of which are leading players in the ADC and bioconjugate space with potentially first-in-class or best-in-class pipeline programs. The number of customers grew significantly from 345 in 2023 to 499 in 2024. Additionally, the Group's platform has achieved the highest number of IND approvals globally in 2024.

As at December 31, 2024, 13 out of the top 20 global pharmaceutical companies[1] partnered with the Group to develop ADCs or XDCs, which comprises approximately 32.0% of the Group's total revenue in 2024. Additionally, 60% of the large-scale China-to-global out-licensing deals in 2024 involving ADCs (deal value exceeding US$1 billion) were the Group's clients, which is a strong testament to the Group's leading position in the bioconjugate industry. As of the reporting date, all customers' out-license assets empowered by WuXi XDC are in active development.

As an industry recognition of its capabilities, the Company has won in the "Best Contract Development Manufacturing Organization (CDMO)" prize consecutively at the 2023 and 2024 World ADC Awards and multiple prestigious awards at the Asia-Pacific Biopharma Excellence Awards 2025.

Investor Relations

The Group believes that good corporate governance is essential for enhancing the confidence of Shareholders and potential investors. To this end, the Group endeavors to maintain effective and on-going communication with investors to enhance transparency and to provide equal and timely disclosure of information to investors. The Group has developed a multichannel approach to ensure that the Shareholders and investors can exercise their rights in an informed manner based on a good understanding of the Group's key business imperatives. These communication tools include announcements, press releases, general meetings, interim and annual reports, investor and analyst briefings, roadshows, and industry and sell-side events. During the Reporting Period, the Group received recognition and awards for its effective investor relations programs and high-quality investor interaction. For instance, the Group and its management team received the "Most Valuable Pharmaceutical and Healthcare Company", "Top Investor-Picked Company", "Best CEO", "Best CFO", "Best IR Professional" and "Best IR Team" awards for excellent investor interaction activities.

The Group encourages Shareholders' active participation in results sharing meetings with investors, annual and extraordinary general meetings, facility tours and other roadshows. The Group has progressively adopted the use of web-based and digitalized communication strategies across multiple influential platforms to strengthen its investor relations.

Environmental, Social and Governance

The Group's operation sites are required to pass environmental impact assessments under applicable PRC laws and regulations. The Group's Shanghai and Wuxi sites passed such assessments in October 2022 and September 2019, respectively. To the extent possible, the Group's facilities utilize next-generation technologies and clean energy sources, which improve resource conservation and reduce the level of waste produced by the operations.

1 The top 20 global pharmaceutical companies were ranked by their revenue in 2023.

The Group aims to reduce its Scope 1 and Scope 2 greenhouse gas emissions intensity by 50% (tons/RMB10,000) by 2030 from a 2021 base year. For the near term, the Group aims to curb the increment of its resource consumption and waste generation in spite of the growing size of its business operations. The Group will adjust the targets and goals in accordance with actual business operations, and will closely monitor the financial and non-financial impact on its business for actions taken to achieve these goals and targets. The implementation of this plan is facilitated by the design of the Group's sites, which utilize natural temperature and light for tailored heating, ventilation, air conditioning and lighting. The Group also ensures that its equipment meets applicable energy efficiency requirements.

The Group is committed to continuously enhanced ESG governance and received an "A" rating in the Wind ESG rankings in 2024, reflecting the Group's exceptional performance in corporate responsibility, risk management, and ethical business conduct.

Future Outlook

Riding on the recent trend of transformative advancements in drug design and conjugation technologies, the ADC and bioconjugate drug market is at a growth inflection point. According to Frost & Sullivan, the global ADC drug market size is anticipated to grow at a CAGR of 30.3% from US$10.4 billion in 2023 to US$66.2 billion in 2030, which is considerably more rapid growth than the CAGR of 9.2% that is expected for the global biologics drug market during the same period.

Furthermore, in the current market, innovative bioconjugates are extending beyond ADC through conjugation of various payloads (other than chemical drugs) and various carriers (other than antibodies). Hence the name "XDC" represents the myriad bioconjugation possibilities.

Previously, ADC developers relying on a fragmented supply chain faced a myriad of challenges associated with the intricacies of vendor management. With multiple suppliers to oversee, each specializing in a unique ADC component (antibody, linker, and payload), ADC developers frequently wrestle with harmonizing quality controls, synchronizing timelines, and ensuring efficient communication among all entities. The absence of an integrated service also exposes ADC developers to potential inconsistencies in product quality, thus giving rise to strong demand for an integrated service provider or at best "All-in-One" manufacturing facility, such as WuXi XDC, to continuously increase its market share.

Looking ahead, the Company intends to capture the market opportunities and burgeoning demands through the implementation of the following strategies:

- **Continue to execute projects with a high success rate and maintain high customer satisfaction**

  The Group is committed to deliver projects with a high success rate across global operations, ensuring exceptional customer satisfaction through reliable execution, proactive communication, and tailored solutions that meet or exceed customer expectations. The Group's goal is to consistently exceed its customer expectations by providing innovative solutions and tailor-made support, thereby fostering long-term partnerships and enhancing the Group's reputation in the industry.

- **Implement plans to expand the Group's manufacturing capacities in order to meet growing global demand**

  The Group will continue to expand its global footprint and capacity infrastructure. With operation expected to commence at the Singapore site by late 2025, the Group believes that its expansion plan will allow further integration of manufacturing functions, expedite timelines and facilitate quality assurance, enabling the Group to keep pace with the growing global demand for bioconjugate CRDMO services. The Group has been undergoing expansion of its capacity at the Wuxi site, with XDP3 and XDP5 currently under construction and expected to commence operation respectively in the second quarter of 2025 and in 2027. The Group also actively engaged in global talent acquisition, as it believes that talent retention is the key to excellence in the execution of plans and the further development of the Group.

- **Leverage the Group's fully integrated platform to further solidify its industry leading position, focusing on commercial and integrated projects and comprehensive service capabilities**

  Considering the globally limited ADC CRDMO capacities and the Group's unique "enable, follow and win the molecule" strategy executed through its proprietary "one-stop" platform, the Group expects to steadily bring new projects into the pipeline to maintain strong growth. In the foreseeable future, the Group will continue to gain additional market share with accelerated phase II/III projects and commercial projects to reinforce its "D" and "M" capabilities, while its research business continues to enable clients to develop innovative bioconjugation and enriches its CRDMO business model. The Group successfully secured multiple PPQ projects covering diversified targets from global clients, and continuing to demonstrate its capabilities with respect to execution of plans and production of high-quality deliverables to achieve client satisfaction.

- **Continue to focus on cutting-edge technologies through internal R&D and strategic partnerships**

  The Group intends to continue investing in cutting-edge technologies and to enhance its R&D capabilities, so that it will remain at the technological frontier and continue to deliver high quality results to its customers. For instance, the Group intends to continue refining or upgrading the WuXiDARx™ technologies, and to extend their application to other XDC modalities. The Group may also selectively pursue strategic alliances, licensing arrangements, investments and bolt-on acquisitions in the future to enrich its technology toolboxes and service offerings and become the bioconjugate research, development and manufacturing platform of choice.

FINANCIAL REVIEW

Revenue

The revenue of the Group increased by 90.8% from RMB2,123.8 million for the year ended December 31, 2023 to RMB4,052.3 million for the year ended December 31, 2024. This increase was primarily attributable to (i) the growth in the number of customers and projects, driven by continued active development of the global ADC and broader bioconjugates market, (ii) the increasing market share through the Group's established position as a leading ADC CRDMO service provider in that market, and (iii) the steady advancement of the Group's projects into later stages (which typically yield higher contract values).

Revenue by Geographic Coverage

The Group has a broad, loyal and fast-growing customer base. During the Reporting Period, the Group generated revenue from ultimate customers primarily from North America, China and Europe. The following table sets forth a breakdown of revenue based on the location of the customers' headquarters, both in absolute amount and as a percentage of total revenue, for the years indicated:

	For the year ended December 31,			
	2024		2023	
Revenue[1]	***RMB'000***	***%***	*RMB'000*	*%*
— North America	**2,030,356**	**50.1%**	851,931	40.1%
— China	**1,048,454**	**25.9%**	661,318	31.1%
— Europe	**639,001**	**15.8%**	497,593	23.4%
— Others[2]	**334,509**	**8.2%**	112,997	5.4%
Total	**4,052,320**	**100.0%**	2,123,839	100.0%

Notes:

(1) Revenue by geographic coverage is presented based on the location of the ultimate customer. For legacy contracts that were contracted with Remaining WXB Group but were executed by the Group, the Company classifies revenue based on the location of the customers' headquarters, rather than that of the Remaining WXB Group.

(2) Includes primarily countries and regions in Asia (excluding China) and Australia.

Revenue from customers in North America, China and Europe increased significantly during the Reporting Period, as a result of the continual increase in customer demand for ADC CRDMO services globally and in these markets particularly, driven by the development of the global ADC market and the Group's established industry position as a leading CRDMO service provider for ADCs and other bioconjugates.

Revenue by Project Development Stage

During the Reporting Period, the Group generated revenue from a mix of bioconjugate products in various development stages, which can be broadly categorized into (i) revenue from pre-IND projects, primarily bioconjugate discovery projects at the drug discovery stage and preclinical development stage, and (ii) revenue from post-IND projects, primarily at clinical and commercial stage. The following table sets forth a breakdown of revenue by development stages of projects, both in absolute amount and as a percentage of total revenue, for the years indicated:

	For the year ended December 31,			
	2024		2023	
Revenue	***RMB'000***	***%***	*RMB'000*	*%*
Pre-IND services	**1,675,643**	**41.4%**	926,774	43.6%
Post-IND services	**2,376,677**	**58.6%**	1,197,065	56.4%
Total	**4,052,320**	**100.0%**	2,123,839	100.0%

Revenue from both pre-IND services and post-IND services increased during the Reporting Period, as compared to the same period in 2023, primarily due to the increase in the total number of projects, the number of projects that have progressed to late-stage development and the increase in production capacity to meet the increasing demand for the Group's CRDMO services.

Revenue by Project Type

During the Reporting Period, the Group generated revenue from both ADC and non-ADC projects in terms of project types. The following table sets forth a breakdown of revenue by project types, both in absolute amount and as a percentage of total revenue, for the years indicated:

	For the year ended December 31,			
	2024		2023	
	RMB'000	*%*	*RMB'000*	*%*
ADC	**3,767,240**	**93.0%**	1,888,013	88.9%
Non-ADC	**285,080**	**7.0%**	235,826	11.1%
Total	**4,052,320**	**100.0%**	2,123,839	100.0%

As at December 31, 2024, the Group had 177 ADC integrated projects and 17 non-ADC integrated projects, accounting for respectively 91.2% and 8.8% of the total number of ongoing integrated projects as at the same date.

Cost of Sales

The cost of sales of the Group mainly consists of indirect production cost and overheads, direct labor cost, cost of raw materials and services and depreciation and amortization.

The cost of sales of the Group increased by 79.8% from RMB1,564.3 million for the year ended December 31, 2023 to RMB2,812.5 million for the year ended December 31, 2024, primarily due to increases in cost of raw materials, direct labor costs used in production and indirect production costs and overheads incurred in relation to antibodies master services, which are correlated with the Group's revenue growth.

Gross Profit and Gross Profit Margin

The gross profit of the Group increased by 121.6% from RMB559.6 million for the year ended December 31, 2023 to RMB1,239.8 million for the year ended December 31, 2024. The Group's gross profit margin increased from 26.3% for the year ended December 31, 2023 to 30.6% for the year ended December 31, 2024. The increase in the gross profit and gross profit margin is primarily attributable to (i) further improving capacity utilization rate of the production line including the swift ramp-up of the new production line (XBCM2 Line 1), (ii) the enhanced overall operation and manufacturing efficiency of the Group, (iii) the continuous efforts in cost control, and (iv) the continuous efforts in procurement strategy optimization.

Selling and Marketing Expenses

The selling and marketing expenses of the Group mainly consist of (i) labor cost for the sales and marketing personnel, (ii) selling and marketing related business development expense and, (iii) depreciation and amortization, representing primarily amortization of the customer relationship asset acquired in relation to the acquisition of subsidiaries and businesses in previous years.

The selling and marketing expenses of the Group increased by 268.5% from RMB15.2 million for the year ended December 31, 2023 to RMB56.1 million for the year ended December 31, 2024, primarily due to the Group's continued investments in its selling and marketing talents and an increase in share-based payment expenses during the Reporting Period.

Administrative Expenses

The administrative expenses of the Group mainly consist of (i) labor cost for the administrative personnel, (ii) logistics and accommodation expenses, (iii) depreciation and amortization, (iv) professional service fees, and (v) other administrative expenses, primarily maintenance expense and utilities.

The administrative expenses of the Group increased by 32.5% from RMB124.0 million for the year ended December 31, 2023 to RMB164.2 million for the year ended December 31, 2024, primarily due to an increase in labor cost for the Group's increase in headcount and average compensation level of its administrative personnel and management.

Research and Development Expenses

The research and development expenses of the Group mainly consist of (i) labor cost for the R&D staff, (ii) cost of materials used in R&D activities, and (iii) depreciation and amortization of the equipment and facilities used by the R&D department and the amortization of the intangible assets used in R&D activities.

The research and development expenses of the Group increased by 30.0% from RMB76.9 million for the year ended December 31, 2023 to RMB100.0 million for the year ended December 31, 2024, primarily due to (i) an increase in cost of raw materials as a result of increase in material procurement for research and development activities driven by strong business growth, and (ii) an increase in labor cost.

Finance Costs

The finance costs of the Group mainly include interest expense arising from bank borrowings and lease liabilities.

The finance costs of the Group increased by 331.9% from RMB0.7 million for the year ended December 31, 2023 to RMB3.2 million for the year ended December 31, 2024, primarily due to an increase in interest expense arising from bank borrowings.

Other Income

The other income of the Group mainly consists of (i) interest income from banks, (ii) research and other grants related to income, (iii) sales of materials to related parties, and (iv) rental income arising from the lease of the assembly center to the Remaining WXB Group.

The other income of the Group increased by 149.1% from RMB92.3 million for the year ended December 31, 2023 to RMB229.9 million for the year ended December 31, 2024, primarily due to an increase in interest income from banks, primarily attributable to the increase in bank deposits and term deposits with banks which resulted from the net proceeds received from the Global Offering.

Other Gains and Losses

The other gains and losses of the Group primarily include fair value gain on wealth management products and net foreign exchange gain and loss.

The Group recorded net other losses of RMB43.9 million for the year ended December 31, 2023 and recorded net other gains of RMB80.4 million for the year ended December 31, 2024, primarily due to net foreign exchange gains for the year ended December 31, 2024, which in turn primarily consisted of realized foreign exchange gains resulting from strengthening of the U.S. dollar and its impact on the Group's receivables from customers and bank balances and term deposits that are denominated in U.S. dollars.

Impairment Losses Under ECL Model, Net of Reversal

The impairment losses, under expected credit loss ("**ECL**") model, net of reversal, represent loss allowances on the Group's financial assets (including trade and other receivables and contract assets) ("**Impairment Losses**").

The Group reversed Impairment Losses of RMB22.0 million for the year ended December 31, 2023, primarily due to the subsequent repayment of trade receivables by certain customers. The Group recognized Impairment Losses of RMB6.9 million for the year ended December 31, 2024, primarily due to an increase in trade and other receivable which are in line with the Group's revenue growth.

The Group periodically reviews the credit ratings of its customers, by taking into account their historical payment records, to evaluate the collectability of their receivables. As a usual practice, customers are required to make a down payment in respect of their orders, and the Group grants credit terms to customers based on their respective credit ratings. The Group's management has been closely monitoring the status of overdue receivables, proactively following up on collection, and prudently making provisions.

Income Tax Expense

The income tax expenses of the Group increased by 97.4% from RMB76.1 million for the year ended December 31, 2023 to RMB150.2 million for the year ended December 31, 2024, which is in line with the increment of profit before tax. The effective tax rate of the Group decreased from 21.2% for the year ended December 31, 2023 to 12.3% for the year ended December 31, 2024, mainly due to additional subsidiaries of the Group having qualified for a lower Enterprise Income Tax rate for the Reporting Period.

Net Profit and Net Profit Margin

As a result of the foregoing, the net profit of the Group increased by 277.2% from RMB283.5 million for the year ended December 31, 2023 to RMB1,069.6 million for the year ended December 31, 2024. The significant growth in the Group's net profit during the Reporting Period is generally in line with the Group's revenue and business growth (after taking into account the effects of non-recurrent listing expenses and non-cash share-based compensation). The net profit margin of the Group increased from 13.4% for the year ended December 31, 2023 to 26.4% for the year ended December 31, 2024, primarily due to the increase in gross profit margin, enhancement in operation efficiency, continuous effective cost control measures, and increased interest income.

Adjusted Net Profit and Adjusted Net Profit Margin

The adjusted net profit of the Group increased by 184.8% from RMB412.3 million for the year ended December 31, 2023 to RMB1,174.0 million for the year ended December 31, 2024. Adjusted net profit margin was 29.0% for the year ended December 31, 2024, increased from 19.4% for the year ended December 31, 2023. The adjusted net profit before interest income and expense of the Group increased by 171.3% from RMB365.6 million for the year ended December 31, 2023 to RMB992.0 million for the year ended December 31, 2024.

Basic and Diluted Earnings Per Share

The basic earnings per share of the Group increased by 217.9% from RMB0.28 for the year ended December 31, 2023 to RMB0.89 for the year ended December 31, 2024. The diluted earnings per share of the Group increased by 219.2% from RMB0.26 for the year ended December 31, 2023 to RMB0.83 for the year ended December 31, 2024. The increase in basic and diluted earnings per share was primarily due to the increase in the net profit resulting from the strong business growth of the Group as discussed above.

Property, Plant and Equipment

The balance of the property, plant and equipment of the Group increased by 118.6% from RMB1,246.2 million as at December 31, 2023 to RMB2,724.5 million as at December 31, 2024, primarily due to (i) an increase in value of construction in progress as a result of construction of the new facility at the Singapore site, (ii) an increase in leasehold improvements, and (iii) an increase in machinery in connection with the Wuxi site.

Investment Property

The balance of investment property of the Group decreased by 3.2% from RMB12.4 million as at December 31, 2023 to RMB12.0 million as at December 31, 2024, primarily due to depreciation on a straight-line basis.

Goodwill

As at December 31, 2024, goodwill amounted to RMB215.2 million, being the same as at December 31, 2023. Goodwill arose from acquisition of the Payload & Linker Business in 2021.

Intangible Assets

The intangible assets of the Group mainly include customer relationships and licenses.

Intangible assets decreased by 15.5% from RMB52.9 million as at December 31, 2023 to RMB44.7 million as at December 31, 2024, following the regular amortization schedule during the Reporting Period.

Inventories

The inventories of the Group mainly include raw materials, pharmaceutical intermediates and consumables. The inventory level of the Group increased by 153.6% from RMB46.8 million as at December 31, 2023 to RMB118.7 million as at December 31, 2024, primarily representing inventory stocked up for the timely fulfilment of strong client demands and inventory consumed for the research and development and manufacturing activities.

Trade and Other Receivables

Trade receivables from related parties primarily comprised outstanding amounts receivable from the Remaining WXB Group. Trade receivables from third parties primarily represented the outstanding amounts receivable from other customers for CRDMO services. Other receivables primarily represented (i) advances to suppliers, (ii) deposits, (iii) prepayments, and (iv) value-added tax recoverable.

The trade and other receivables of the Group increased by 88.3% from RMB956.4 million as at December 31, 2023 to RMB1,800.5 million as at December 31, 2024, primarily attributable to receivables from contracts with third parties, which is in line with the business growth of the Group.

Contract Assets

Contract assets increased by 153.3% from RMB31.1 million as at December 31, 2023 to RMB78.7 million as at December 31, 2024, which is in line with the business growth of the Group.

Contract Costs

The contract costs of the Group represent recoverable costs incurred for fulfilling contracts, revenue of which had not been recognized.

The contract costs of the Group increased by 14.7% from RMB113.7 million as at December 31, 2023 to RMB130.4 million as at December 31, 2024, which is generally in line with the business growth of the Company.

Financial Assets at Fair Value through Profit or Loss ("FVTPL")

The financial assets at FVTPL primarily consisted of the investments in wealth management products of the Group. The Group had nil financial assets at FVTPL as at December 31, 2023 and had financial assets at FVTPL of RMB433.5 million as at December 31, 2024. This increase was primarily attributable to the Group placement of wealth management products during the Reporting Period.

Trade and Other Payables

Trade payables to related parties comprised outstanding amounts payable to the Remaining WXB Group in relation to, among others, the development, manufacturing and testing services for antibody and payload-linkers, raw material procurement services and project management services that the Group procured from these related parties. Trade payables to third parties primarily represented the balances due to the suppliers for purchase of raw materials and consumables. Other payables and accruals to related parties mainly arose from administrative services provided by the related parties and rental expenses. Other payables and accruals to third parties mainly represented payables arising from the construction in progress.

The trade and other payables of the Group increased by 53.9% from RMB915.4 million as at December 31, 2023 to RMB1,408.9 million as at December 31, 2024, primarily due to the increases in trade payables for the purchase for raw materials and consumables, which are generally in line with the Group's business growth.

Contract Liabilities

The contract liabilities of the Group mainly include advance payments received from customers.

Contract liabilities increased by 53.6% from RMB328.3 million as at December 31, 2023 to RMB504.3 million as at December 31, 2024, which is generally in line with the business growth of the Group.

Liquidity and Capital Resources

Bank balances and cash and time deposits decreased by 12.5% from RMB4,047.6 million as at December 31, 2023 to RMB3,539.8 million as at December 31, 2024, primarily due to the cash used in investing for capital expenditures and for financial assets at FVTPL. Taking into account the financial resources available to the Group, the Directors are of the view that the Group has sufficient working capital to meet its present requirements.

Treasury Policy

Currently, the Group follows a set of funding and treasury policies to manage its capital resources and to mitigate the associated risks. The Group expects to fund its working capital and other capital requirements from a combination of various sources, including but not limited to internal financing and external financing at reasonable market rates. In order to better control and minimize the cost of funds, the Group's treasury activities are centralized and all cash transactions are done with reputable banks.

The Group's treasury policies are also designed to mitigate the foreign currency risk arising from the Group's global operations. The cash and cash equivalents held by the Group are mainly composed of RMB, HKD and USD. Certain Group entities have foreign currency transactions, including sales and purchases transactions, etc., as well as monetary assets and liabilities denominated in foreign currencies (mainly USD and HKD).

Significant Investments, Material Acquisitions and Disposals

As at December 31, 2024, there was no significant investment held by the Company, nor were there any material acquisitions or disposals of subsidiaries, associates and joint ventures during the Reporting Period.

Indebtedness

Borrowings

The Group had borrowings of RMB478.0 million as at December 31, 2024 as compared to nil as at December 31, 2023. Such borrowings were from reputable banks.

Contingent Liabilities and Guarantees

As at December 31, 2024, the Group did not have any outstanding debt securities, mortgage, charges, debentures or other loan capital (issued or agreed to be issued), bank overdrafts, liabilities under acceptance or acceptance credits, or other similar indebtedness, material contingent liabilities, guarantees or any litigations or claims of material importance, pending or threatened against any member of the Group.

Currency Risk

The foreign currency transactions of the Group, including its sales, expose the Group to foreign currency risk. Certain of the Group's bank balances and cash, trade and other receivables and trade and other payables are denominated in currencies other than the functional currency of the relevant group entities, such as U.S. dollar, Hong Kong dollars, Singapore dollars, Euro, Great Britain Pound and Swiss Franc, and thus expose the Group to such foreign currency risk.

During the Reporting Period, the majority of the Group's revenue was generated from sales denominated in USD, while most of the purchase of raw materials, property, plant and equipment and expenditures were settled in RMB in China and in USD in foreign countries. At the end of the Reporting Period, the Group has maintained monetary assets and liabilities denominated in foreign currencies (mainly in USD), which expose the Group to foreign currency risk. As a result, the Group's net profit margin was impacted when the foreign exchange rates fluctuated, especially among USD, HKD, RMB and EUR.

The Group seeks to limit its exposure to foreign currency risk by closely monitoring and minimizing its net foreign currency position. The Group plans to engage in a series of forward contracts to manage its currency risk. Hedge accounting will also be adopted by the Group for derivatives to mitigate the impact on profit or loss due to the fluctuation in foreign exchange rates.

Non-IFRS Measures

To supplement the Group's consolidated financial statements which are presented in accordance with IFRS, the Company presents adjusted net profit (non-IFRS measure), adjusted net profit margin (non-IFRS measure), adjusted net profit attributable to owners of the Company (non-IFRS measure), adjusted net profit before interest income and expense (non-IFRS measure), margin of adjusted net profit attributable to owners of the Company (non-IFRS measure), adjusted EBITDA (non-IFRS measure), adjusted EBITDA margin (non-IFRS measure) and adjusted basic and diluted earnings per share (non-IFRS measures) as additional financial measures, which are not required by, or presented in accordance with IFRS.

The Group believes that the adjusted financial measures are useful for understanding and assessing underlying business performance and operating trends, and that the Group's management and investors may benefit from referring to these adjusted financial measures in assessing the Group's financial performance by eliminating the impact of certain unusual, non-recurring, non-cash and/or non-operating items that the Group does not consider indicative of the performance of the Group's core business. The Group's management believes that these non-IFRS financial measures are widely accepted and adopted in the industry in which the Group operates. However, these non-IFRS financial measures are not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with IFRS. Shareholders of the Company and potential investors should not view the adjusted results on a stand-alone basis or as a substitute for results under IFRS. Furthermore, these non-IFRS financial measures may not be comparable to the similarly-titled measures represented by other companies.

Additional information is provided below to reconcile adjusted net profit (non-IFRS measure), EBITDA (non-IFRS measure) and adjusted EBITDA (non-IFRS measure) to the corresponding measures under IFRS.

Adjusted Net Profit (non-IFRS measure)

	Year ended December 31,	
	2024	2023
	RMB'000	*RMB'000*
Net Profit	**1,069,622**	283,538
Add:		
Listing expenses	**–**	53,578
Share-based compensation expense	**104,383**	75,153
Adjusted Net Profit (non-IFRS measure) *(Note)*	**1,174,005**	412,269
Margin of Adjusted Net Profit (non-IFRS measure)	**29.0%**	19.4%
Adjusted Net Profit Attributable to Owners of the Company (non-IFRS measure)	**1,174,005**	412,269
Margin of Adjusted Net Profit Attributable to Owners of the Company (non-IFRS measure)	**29.0%**	19.4%
	RMB	*RMB*
Adjusted Earnings Per Share (non-IFRS measure)		
— Basic	**0.98**	0.40
— Diluted	**0.91**	0.38

	Year ended December 31,	
	2024	2023
	RMB'000	*RMB'000*
Net Profit	**1,069,622**	283,538
Less:		
Interest income	**185,186**	47,363
Add:		
Interest expense	**3,205**	742
Adjusted Net Profit Before Interest Income and Expense (non-IFRS measure) *(Note)*	**992,024**	365,648
Margin of Adjusted Net Profit Before Interest Income and Expense (non-IFRS measure)	**24.5%**	17.2%

Note:

In order to better reflect the key performance of the Group's current business and operations, the adjusted net profit is calculated as the net profit excluding listing expenses (a non-recurring item) of nil (year ended December 31, 2023: listing expenses of RMB53.6 million), and share-based compensation (a non-cash item) of RMB104.4 million (year ended December 31, 2023: share-based compensation of RMB75.2 million); whereas the adjusted net profit before interest income and expense is calculated as the net profit excluding interest income (a non-operating item which includes interest income from bank balances, short-term bank deposits and time deposits) of RMB185.2 million (year ended December 31, 2023: interest income from bank balances, short-term bank deposits and time deposits of RMB47.4 million) while including interest expense of RMB3.2 million (year ended December 31, 2023: interest expense of RMB0.7 million).

EBITDA and Adjusted EBITDA (non-IFRS measure)

	Year ended December 31,	
	2024	2023
	RMB'000	*RMB'000*
Net Profit	**1,069,622**	283,538
Add:		
Income tax expense	**150,169**	76,074
Depreciation and amortization	**110,388**	59,513
Finance costs	**3,205**	742
Less:		
Interest income from banks	**(185,186)**	(47,363)
EBITDA (non-IFRS measure)	**1,148,198**	372,504
EBITDA Margin (non-IFRS measure)	**28.3%**	17.5%
Add:		
Listing expenses	**–**	53,578
Share-based compensation expense	**104,383**	75,153
Adjusted EBITDA (non-IFRS measure) *(note)*	**1,252,581**	501,235
Adjusted EBITDA Margin (non-IFRS measure)	**30.9%**	23.6%

Note:

The adjusted EBITDA is a non-IFRS financial measure and is calculated as the EBITDA excluding listing expenses (a non-recurring item) of nil (year ended December 31, 2023: listing expenses of RMB53.6 million), and share-based compensation (a non-cash item) of RMB104.4 million (year ended December 31, 2023: share-based compensation of RMB75.2 million).

Employee and Remuneration Policies

As at December 31, 2024, the Group employed a workforce totaling 2,041 employees. The staff costs, including Directors' emoluments but excluding any contributions to (i) retirement benefit scheme contributions, and (ii) share-based payment expenses, were RMB501.0 million for the year ended December 31, 2024, as compared to RMB260.5 million for the year ended December 31, 2023. The remuneration package of employees generally includes salary and bonus elements. In general, the Group determines the remuneration package based on the qualifications, position and performance of its employees.

The Group has adopted the Pre-IPO Share Option Schemes and the 2024 Share Scheme to provide incentives or rewards to eligible participants for their contribution or potential contribution to the Group.

In addition, the Group provides its employees with opportunities to work on cutting-edge projects on ADCs and other bioconjugates to develop their knowledge and skills. The Group has an effective training system, including orientation and continuous on-the-job training, to accelerate the learning progress and improve the knowledge and skill levels of its workforce. The orientation process for newly joined employees covers subjects such as corporate culture and policies, work ethics, introduction to the ADC and other bioconjugates development processes, quality management, as well as occupational safety. The Group has periodic on-the-job training which covers streamlined technical know-how relating to its integrated services, environmental, health and safety management systems and mandatory training required by applicable laws and regulations. Further, the Group aims to maintain and enhance a collaborative work environment that encourages its employees to develop their career with the Group.

The Group also makes contributions to social insurance funds, including basic pension insurance, medical insurance, unemployment insurance, childbirth insurance, work-related injury insurance funds, and housing reserve funds as applicable to the countries where the Group operates.

The remuneration of the Directors and senior management is reviewed by the Remuneration Committee and approved by the Board. The relevant experience, duties and responsibilities, time commitment, working performance and the prevailing market conditions are taken into consideration in determining the emoluments of the Directors and senior management.

Final Dividend

The Board does not recommend any payment of final dividend for the year ended December 31, 2024.

OTHER INFORMATION

AGM and Closure of Register of Members

The AGM will be held on Wednesday, June 25, 2025. A notice convening the AGM is expected to be published and if applicable, dispatched to the Shareholders in due course in accordance with the requirements of the Listing Rules.

For determining the qualification as members of the Company to attend and vote at the AGM, the register of members of the Company will be closed from Friday, June 20, 2025 to Wednesday, June 25, 2025, both dates inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the AGM, non-registered holders of Shares shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Thursday, June 19, 2025.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

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

COMPLIANCE WITH THE MODEL CODE FOR SECURITY TRANSACTIONS

The Company has adopted the Guidelines for Securities Transactions by Directors ("**Written Guidelines**") on no less exacting terms than the Model Code as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, all of them have confirmed that they have complied with the Model Code and the Written Guidelines during the Reporting Period. In order to ensure strict compliance with the Listing Rules and enhance corporate governance measures, the Company will remind all Directors as to their respective obligations under the Listing Rules in all aspects, including but not limited to the restrictions in dealing with the Company's securities. No incident of non-compliance with the Guidelines for Securities Transactions by Employees (員工證券交易管理辦法) by the employees who are likely to be in possession of inside information of the Company was noted by the Company.

AUDIT COMMITTEE

The Company has established the Audit Committee with written terms of reference in compliance with the requirements under the Listing Rules. The Audit Committee consists of three independent non-executive Directors, being Mr. Hao Zhou (chairman of the Audit Committee), Dr. Ulf Grawunder and Mr. Kenneth Walton Hitchner III. The primary duties of the Audit Committee are to (i) review and supervise the financial reporting process and the risk management and internal control system of the Group; (ii) oversee the audit process; (iii) provide advice and comments to the Board; and (iv) perform other duties and responsibilities as assigned by the Board.

PROCEEDS FROM THE GLOBAL OFFERING AND ITS UTILIZATION

The Company issued 178,446,000 Shares in its Global Offering at HK$20.60 which were listed on the Main Board of the Stock Exchange on November 17, 2023 and subsequently issued 19,158,500 Shares at HK$20.60 upon full exercise of the over-allotment option.

The net proceeds from the Global Offering received by the Company, after deduction of the underwriting fees and commissions and other expenses payable by the Company in connection with the Global Offering, amounted to approximately HK$3,936.9 million and the unutilized net proceeds were kept at the bank accounts of the Group as at December 31, 2024.

Details on the applications of the net proceeds from the Global Offering were disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus. As at December 31, 2024, there have been no material changes to the planned applications of the net proceeds. The following table sets out the planned applications of the net proceeds, net proceeds brought forward for the Reporting Period, actual usage up to and remaining amount as at December 31, 2024 as well as the expected timeline for utilization:

Intended use of net proceeds as stated in the Prospectus	**Planned applications** *HK$ million*	**Amount utilized up to December 31, 2024** *HK$ million*	**Net proceeds brought forward for the Reporting Period** *HK$ million*	**Remaining amount as at December 31, 2024** *HK$ million*	**Expected timeline for utilization** (Note)
Further expansion of the Group's service capability and capacity					
Construction of the Group's facilities at the Singapore site					
Establishment of the facilities at the Singapore site	1,299.2	1,036.3	1,299.2	262.9	By the end of 2026
Purchase manufacturing and R&D equipment and systems and recruit manufacturing, R&D and management personnel for the operation at the Singapore site	708.7	103.9	708.7	604.8	By the end of 2026
Expansion of the Group's production capacity in China					
Purchase manufacturing and R&D equipment and systems, such as bioreactors, steam sterilizers, capillary electrophoresis instrument and enzyme labeling apparatus, among others	354.3	–	354.3	354.3	By the end of 2026
Establishment, maintenance and improvement of the manufacturing plants at the Wuxi site, including building up a kilogram-scale payload-linker production line	275.5	–	275.5	275.5	By the end of 2026
Selectively pursue strategic alliances, investment and acquisition opportunities	905.5	–	905.5	905.5	By the end of 2026
Working capital and other general corporate purposes	393.7	393.7	393.7	–	N/A
Total	**3,936.9**	**1,533.9**	**3,936.9**	**2,403.0**	

Note:

The expected timeline for the usage of the remaining proceeds was prepared based on the best estimate of the Group's future market conditions, which is subject to the current and future development of the market conditions.

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

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including any sale of treasury Shares). As at December 31, 2024, the Company did not hold any treasury Shares.

REVIEW OF ANNUAL RESULTS

The independent auditors of the Company, namely Deloitte Touche Tohmatsu, have carried out a review of the annual financial information, which is based on the audited consolidated financial statements of the Group for the year ended December 31, 2024. The Audit Committee has jointly reviewed with the management and the independent auditors of the Company, the accounting principles and policies adopted by the Company and discussed risk management and internal control system and financial reporting matters (including the review of the annual results for the year ended December 31, 2024) of the Group. The Audit Committee and the independent auditors considered that the annual results are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof.

SCOPE OF WORK OF DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended December 31, 2024 as set out in the preliminary announcement have been agreed by the Group's auditors, Messers Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board on March 24, 2025. The work performed by Messers Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messers Deloitte Touche Tohmatsu on the preliminary announcement.

KEY EVENTS AFTER THE REPORTING PERIOD

There was no significant event that might affect the Group after the Reporting Period.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This announcement is published on the website of HKEx (www.hkexnews.hk) and the Company's website (www.wuxixdc.com). In accordance with the requirements under the Listing Rules which are applicable during the Reporting Period, the annual report for the year ended December 31, 2024 containing all the information in accordance with the requirements under the Listing Rules, will be despatched to the Shareholders (if applicable) and published on the respective websites of HKEx and the Company in due course.

ANNUAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2024

The Board is pleased to announce the consolidated statement of profit or loss and other comprehensive income of the Group for the year ended December 31, 2024 and the Group's consolidated statement of financial position as at December 31, 2024, together with the comparative figures for the corresponding period in 2023 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2024

	NOTES	**2024** **RMB'000**	2023 *RMB'000*
Revenue	*4*	**4,052,320**	2,123,839
Cost of sales		**(2,812,474)**	(1,564,281)
Gross profit		**1,239,846**	559,558
Other income	*5*	**229,897**	92,305
Other gains and losses	*6*	**80,383**	(43,871)
Impairment losses under expected credit loss model, net of reversal	*7*	**(6,853)**	21,993
Selling and marketing expenses		**(56,079)**	(15,220)
Administrative expenses		**(164,239)**	(123,966)
Research and development expenses		**(99,959)**	(76,867)
Listing expenses		**–**	(53,578)
Finance costs		**(3,205)**	(742)
Profit before tax	*7*	**1,219,791**	359,612
Income tax expense	*8*	**(150,169)**	(76,074)
Profit for the year		**1,069,622**	283,538
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Fair value gain on hedging instruments designated in cash flow hedges, net of income tax		**–**	1,146
Exchange differences arising on translation of a foreign operation		**7,624**	1,125
Other comprehensive income for the year		**7,624**	2,271
Total comprehensive income for the year		**1,077,246**	285,809
		RMB	*RMB*
Earnings per share	*9*		
Basic		**0.89**	0.28
Diluted		**0.83**	0.26

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2024

	NOTES	2024 RMB'000	2023 RMB'000
Non-current Assets			
Property, plant and equipment		**2,724,526**	1,246,234
Investment property		**12,006**	12,409
Right-of-use assets		**17,271**	2,145
Goodwill		**215,193**	215,193
Intangible assets		**44,744**	52,946
Deferred tax assets		**8,742**	6,267
Other long-term deposits		**154**	147
		3,022,636	1,535,341
Current Assets			
Inventories		**118,699**	46,804
Trade and other receivables	*11*	**1,800,467**	956,412
Contract assets		**78,653**	31,051
Contract costs		**130,369**	113,730
Financial assets at fair value through profit or loss ("**FVTPL**")		**433,511**	–
Pledged bank deposits	*12*	**–**	4,400
Time deposits	*12*	**1,614,647**	–
Bank balances and cash	*12*	**1,925,149**	4,047,583
		6,101,495	5,199,980
Current Liabilities			
Trade and other payables	*13*	**1,408,876**	915,386
Borrowings		**478,000**	–
Contract liabilities		**504,250**	328,322
Income tax payable		**72,091**	34,455
Lease liabilities		**3,275**	1,247
		2,466,492	1,279,410
Net Current Assets		**3,635,003**	3,920,570
Total Assets less Current Liabilities		**6,657,639**	5,455,911

	NOTES	2024 RMB'000	2023 RMB'000
Non-current Liabilities			
Lease liabilities		**15,150**	1,595
Deferred income		**3,000**	–
		18,150	1,595
Net Assets		**6,639,489**	5,454,316
Capital and Reserves			
Share capital	*14*	**391**	390
Reserves		**6,639,098**	5,453,926
Total Equity		**6,639,489**	5,454,316

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company was established in the Cayman Islands as an exempted company with limited liability on December 14, 2020, and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited on November 17, 2023. The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section to the annual report. In the opinion of the directors of the Company, Biologics Cayman is the Company's ultimate holding company.

The Company is an investment holding company. The Group is principally engaged in provision of comprehensive contract research, development and manufacturing organization ("**CRDMO**") services, including discovery, process development and Good Manufacturing Practice ("**GMP**") manufacturing for bioconjugates, monoclonal antibody intermediates and payload-linkers associated with bioconjugates.

The consolidated financial statements are presented in Renminbi ("**RMB**"), which is also the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

In the current year, the Group has consistently applied all the new and amendments to IFRS Accounting Standards as issued by the International Accounting Standards Board ("**IASB**"), which are mandatorily effective for the Group's annual period beginning on January 1, 2024 for the preparation of the consolidated financial statements.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the IASB. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**") and by the Hong Kong Companies Ordinance.

4. REVENUE AND SEGMENT INFORMATION

(i) Disaggregation of revenue from contracts with customers

The Group derives its revenue from the transfer of services and goods at a point in time and over time in CRDMO services:

	2024	2023
	RMB'000	*RMB'000*
Type of services and timing of revenue recognition		
CRDMO services		
A point in time	**3,765,953**	2,020,053
Over time	**286,367**	103,786
Total	**4,052,320**	2,123,839

The Group provides services in the discovery and development of ADCs and other bioconjugates. Revenue generated from CRDMO services is derived from the transfer of services and/or goods through contracts under fee-for-service ("**FFS**") basis and full-time-equivalent ("**FTE**") basis. During the year ended December 31, 2024, revenue from CRDMO contracts under FFS basis and FTE basis was RMB3,808,640,000 and RMB243,680,000 (December 31, 2023: RMB2,033,077,000 and RMB90,762,000), respectively.

5. OTHER INCOME

	2024	2023
	RMB'000	*RMB'000*
Interest income from banks *(note i)*	**185,186**	47,363
Research and other grants *(note ii)*	**35,819**	36,405
Sales of materials to related parties	**7,974**	5,625
Rental and other related income *(note iii)*	**918**	2,912
	229,897	92,305

Notes:

(i) Interest income included interest derived from bank balances, short-term bank deposits and time deposits.

(ii) Income from research and other grants of the Group during the year were mainly related to the Group's contribution to the local high-tech industry and economy. These grants are unconditional and accounted for as immediate financial support with neither future related costs expected to be incurred nor related to any assets of the Group.

(iii) In respect of the rental income, there are direct operating expenses incurred for investment property that generated rental income amounting to RMB403,000 for the year ended December 31, 2024 (2023: RMB2,051,000).

6. OTHER GAINS AND LOSSES

	2024	2023
	RMB'000	*RMB'000*
Net foreign exchange gains (losses)	**74,868**	(49,724)
Fair value gain on structured deposits	**4,238**	5,543
Others	**1,277**	310
	80,383	(43,871)

7. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging (crediting):

	2024	2023
	RMB'000	*RMB'000*
Depreciation for property, plant and equipment	**100,766**	52,452
Depreciation for investment property	**403**	403
Depreciation of right-of-use assets	**2,082**	4,731
Amortization of intangible assets	**8,202**	7,702
	111,453	65,288
Staff cost (including directors' emoluments):		
— Salaries and other benefits	**501,002**	260,514
— Retirement benefits scheme contributions	**50,543**	28,916
— Share-based compensation expenses	**103,814**	82,536
	655,359	371,966
Less: Capitalized in contract costs and property, plant and equipment	**(102,586)**	(67,364)
	664,226	369,890
Impairment losses recognized (reversed), under expected credit loss model, net of reversal		
— Trade receivables	**6,703**	(20,444)
— Contract assets	**298**	478
— Receivables for purchase of raw materials on behalf of customers	**(148)**	(2,027)
	6,853	(21,993)
Auditors' remuneration		
— Auditor of the Company and reporting accountants related to the Company's IPO	**2,800**	11,505
— Auditor of subsidiaries of the Company	**771**	760
Write-down of inventories (included in cost of sales)	**14,068**	1,602
Reversals of write-down of inventories (included in cost of sales)	**(1,121)**	(370)
Write-down of contract costs (included in cost of sales)	**9,493**	3,323
Reversals of contract costs write-down (included in cost of sales)	**(1,491)**	(1,764)
Loss on disposal of property, plant and equipment	**606**	405
Contract costs recognized as an expense	**2,812,474**	1,564,281
Cost of inventories recognized as an expense	**405,988**	162,890

8. INCOME TAX EXPENSE

	2024	2023
	RMB'000	*RMB'000*
Current tax		
— the PRC Enterprise Income Tax ("**EIT**")	**133,129**	63,254
— Hong Kong profits tax	**26,555**	10,945
— Singapore profits tax	**1,492**	–
Over provision in prior years	**(8,532)**	(3,195)
	152,644	71,004
Deferred tax		
— Current year	**(2,475)**	5,070
Total income tax expenses	**150,169**	76,074

All of the subsidiaries (2023: one subsidiary) of the Group operating in the PRC are qualified for a lower Enterprise Income Tax for the Reporting Period.

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profit for both years.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

	2024	2023
	RMB'000	*RMB'000*
Profit before tax	**1,219,791**	359,612
Tax charge at the EIT rate of 25%	**304,948**	89,903
Tax effect of income that is exempt from taxation	**(59,914)**	(2,105)
Tax effect of expenses not deductible for tax purpose *(note)*	**30,397**	38,111
Over provision in respect of prior years	**(8,532)**	(3,195)
Effect of super deduction on research and development expenses	**(15,948)**	(14,298)
Tax at concessionary rate	**(86,521)**	(27,936)
Decrease in opening deferred tax assets resulting from a decrease in applicable tax rates	**377**	–
Effect of different tax rate of operating entities in other jurisdiction	**(14,638)**	(4,406)
Income tax expenses	**150,169**	76,074

Note: The effect of expenses not deductible for tax purpose include mainly the effect of share-based compensation expenses, and tax losses not recognized and not eligible to be carried forward in 2024 and 2023.

9. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	2024	2023
	RMB'000	*RMB'000*
Earnings:		
Earnings for the purpose of calculating basic and diluted earnings per share	**1,069,622**	283,538

	Number of shares	
Number of shares:		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	**1,198,444,240**	1,022,997,484
Effect of dilutive potential ordinary shares:		
Share options	**89,790,995**	54,975,454
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	**1,288,235,235**	1,077,972,938

10. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the year ended December 31, 2024, nor has any dividend been proposed since the end of the reporting period (2023: nil).

11. TRADE AND OTHER RECEIVABLES

	2024	2023
	RMB'000	*RMB'000*
Trade receivables from contracts with customers		
— Related parties	**46,594**	85,991
Less: allowance for credit losses	**(474)**	(266)
— Third parties	**1,563,500**	767,428
Less: allowance for credit losses	**(36,349)**	(30,945)
	1,573,271	822,208
Receivables for purchase of raw materials on behalf of customers	**–**	13,601
Less: allowance for credit losses	**–**	(148)
	–	13,453
Advances to suppliers		
— Related parties	**–**	82
— Third parties	**2,387**	1,433
Other receivables		
— Related parties	**16,073**	1,864
— Third parties	**17,717**	6,334
Prepayments		
— Third parties	**1,860**	122
Tax recoverable	**189,159**	110,916
Total trade and other receivables	**1,800,467**	956,412

The Group allows a credit period ranging from 10 to 90 days to its customers. The following is an aged analysis of trade receivables (net of allowance for credit losses) presented based on the invoice dates:

	2024	2023
	RMB'000	*RMB'000*
Not past due	**1,123,852**	424,828
Overdue:		
— Within 90 days	**298,515**	214,296
— 91 days to 1 year	**123,691**	172,261
— Over 1 year	**27,213**	10,823
	1,573,271	822,208

As at December 31, 2024, included in the Group's trade receivables balance are debtors with aggregate carrying amount of RMB449,419,000 (2023: RMB397,380,000), which are past due as at the reporting date. Out of the past due balances, RMB150,904,000 (2023: RMB183,084,000) has been past due 90 days or more and is not considered as credit impaired as the management of the Group believed that the amounts will be settled by the customers based on customers' committed promise and historical settlement pattern. The Group does not hold any collateral over these balances.

Trade and other receivables that are denominated in currencies other than the functional currency of the respective group entities are set out below:

	2024	2023
	RMB'000	*RMB'000*
United States dollar ("**US$**")	**1,097,172**	551,061
Singapore Dollar ("**SGD**")	**461**	–
Euro ("**EUR**")	**437**	485
Hong Kong Dollar ("**HKD**")	**166**	–

12. BANK BALANCES AND CASH/PLEDGED BANK DEPOSITS/TIME DEPOSITS

Bank balances and cash of the Group comprised of cash and short-term bank deposits with an original maturity of three months or less. The short-term bank deposits are carried interests at market rates which ranged from 0% to 4.50% per annum for the year ended December 31, 2024 (2023: 0% to 5.68%).

As at December 31, 2024, time deposits are carried fixed interest rate which ranged from 5.30% to 5.76% per annum and have original maturity over three months but less than one year (2023: nil).

Bank balances and cash and time deposits that are denominated in currencies other than the functional currency of the respective group entities are set out below:

	2024	2023
	RMB'000	*RMB'000*
US$	**3,158,934**	395,448
HKD	**4,231**	3,582,422
EUR	**1,177**	10,579
SGD	**982**	3

13. TRADE AND OTHER PAYABLES

	2024	2023
	RMB'000	*RMB'000*
Trade payables		
— Related parties	**919,443**	580,333
— Third parties	**100,582**	40,118
	1,020,025	620,451
Other payables and accruals		
— Related parties	**107,506**	97,447
— Third parties	**34,738**	23,121
Payable for purchase of property, plant and equipment		
— Related parties	**3,327**	1,507
— Third parties	**136,582**	97,961
Salary and bonus payables	**102,018**	56,624
Accrued listing expenses and share issue cost	**–**	15,513
Other taxes payable	**4,680**	2,762
Trade and other payables	**1,408,876**	915,386

Payment terms with suppliers are mainly on credit within 90 days from the time when the goods are received from the suppliers. The following is an aged analysis of trade payables presented based on invoice date at the end of the reporting period:

	2024	2023
	RMB'000	*RMB'000*
Within 90 days	**998,994**	596,519
91 days to 1 year	**20,503**	22,910
1 to 2 years	**441**	867
Over 2 years	**87**	155
	1,020,025	620,451

Trade and other payables that are denominated in currencies other than the functional currency of the respective group entities are set out below:

	2024	2023
	RMB'000	*RMB'000*
US$	**797,547**	47,030
SGD	**1,472**	–
EUR	**740**	1,869
Great Britain Pound ("**GBP**")	**236**	–
Swiss Franc ("**CHF**")	**–**	20

14. SHARE CAPITAL

AUTHORIZED:

	Number of shares	Par value	Authorized share capital
		US$	*US$*
As at January 1, 2023	1,000,000,000	0.00005	50,000
Creation of new shares *(note i)*	9,000,000,000	0.00005	450,000
As at December 31, 2023 and December 31, 2024	**10,000,000,000**	**0.00005**	**500,000**

ISSUED AND FULLY PAID:

	Number of shares	Par value	Share capital		Share premium
				RMB'000	*RMB'000*
		US$	*US$*	*equivalent*	*equivalent*
As at January 1, 2023	1,000,000,000	0.00005	50,000	319	1,285,143
Shares issued pursuant to the IPO *(note ii)*	197,604,500	0.00005	9,880	71	3,605,121
As at December 31, 2023	1,197,604,500	0.00005	59,880	390	4,890,264
Exercise of pre-IPO share options	2,408,919	0.00005	120	1	6,491
As at December 31, 2024	1,200,013,419	0.00005	60,000	391	4,896,755

Notes:

i. On June 30, 2023, the authorized share capital of the Company was increased from 1,000,000,000 ordinary shares to 10,000,000,000 ordinary shares by the creation of 9,000,000,000 ordinary shares at par value of US$0.00005 each.

ii. On November 17, 2023, 178,446,000 ordinary shares were issued at an offer price of HKD20.60 per share pursuant to the IPO; and on December 8, 2023, 19,158,500 shares in respect of the over-allotment option are fully exercised. Gross proceeds from the issuance of these shares and the exercise of over-allotment option amounted to approximately HKD4,071 million (equivalent to approximately RMB3,741 million). After netting of share issuance cost of approximately RMB136 million, approximately RMB71,000 and RMB3,605 million are credited to the share capital and share premium of the Company, respectively.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

"2021 Pre-IPO Share Option Scheme"	the share option scheme adopted by the Company on November 23, 2021
"2023 Pre-IPO Share Option Scheme"	the share option scheme adopted by the Company on March 22, 2023
"2024 Share Scheme"	the share scheme adopted by the Company on June 12, 2024
"AGM"	the annual general meeting of the Company
"antibody drug conjugate(s)" or "ADC(s)"	an emerging class of highly potent biopharmaceutical drugs designed as a targeted therapy combining the specific targeting capabilities of monoclonal antibodies with the cancer-killing ability of cytotoxic drugs for the treatment of cancer
"Audit Committee"	the audit committee of the Board
"BLA"	Biologics license application, a request for permission to introduce, or deliver for introduction, a biologic product for commercialization in a specific jurisdiction
"Board"	the board of Directors
"CAGR"	compound annual growth rate
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"cGMP"	Current Good Manufacturing Practice, regulations enforced by the FDA on pharmaceutical and biotech firms to ensure that the products produced meet specific requirements for identity, strength, quality and purity
"China" or the "PRC"	the People's Republic of China excluding, for the purpose of this announcement, Hong Kong, Macau Special Administrative Region and Taiwan

"Company", or "WuXi XDC"	WuXi XDC Cayman Inc. (藥明合聯生物技術有限公司)*, an exempted company incorporated under the laws of the Cayman Islands with limited liability
"CRDMO"	Contract Research, Development and Manufacturing Organization
"DAR"	drug-to-antibody ratio, refers to the average number of drug molecules that are attached to each antibody molecule
"Director(s)"	the director(s) of the Company
"DNA"	deoxyribonucleic acid
"drug product" or "DP"	a dosage form that contains an active drug ingredient
"drug substance" or "DS"	an active ingredient that is intended to furnish pharmacological activity or other direct effect in the diagnosis, cure, mitigation, treatment, or prevention of disease or to affect the structure or any function of the human body, but does not include intermediates used in the synthesis of such ingredient
"EMA"	European Medicines Agency
"ESG"	Environmental, Social and Governance
"EU"	European Union, a politico-economic union of 27 member states that are located primarily in Europe
"EUR"	Euro, the official currency of 20 out of 27 member States of the EU
"FDA"	the U.S. Food and Drug Administration
"Frost & Sullivan"	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.
"Global Offering"	the Hong Kong Public Offering and the International Offering (both as defined in the Prospectus)
"GMP"	Good manufacturing practice
"Group"	the Company and its subsidiaries
"HK$" or "HKD"	Hong Kong dollar(s), the lawful currency of Hong Kong

"HKEx"	Hong Kong Exchange and Clearing Limited
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"IFRS"	International Financial Reporting Standards
"IND"	investigational new drug, an application submitted to the FDA or the NMPA to seek permission or no objection to ship unapproved, experimental drug or biologic agents across jurisdictions (usually to clinical investigators) for use in clinical studies before a marketing application for the drug has been approved
"IPO"	initial public offering
"Listing"	the listing of the Shares on the Main Board of the Stock Exchange on November 17, 2023
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
"Main Board"	Main Board of the Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules
"monoclonal antibody" or "mAb"	antibodies capable of binding to specific antigens and inducing immunological responses against the target antigens. Monoclonal antibodies when used as a cancer treatment have the ability to bind only to cancer cell specific antigens and interrupt the growth of cancer cells to achieve efficient treatment with low dosages and less toxic side effects than traditional chemotherapy
"NMPA"	National Medical Products Administration (國家藥品監督管理局) and its predecessor, the China Food and Drug Administration (國家食品藥品監督管理總局) from 2013 to 2018 and the State Food and Drug Administration (國家食品藥品監督管理局) from 2003 to 2013
"payload"	the component that elicits the desired therapeutic response, which is attached to the antibody by a linker and is released at the desired target

"payload-linker"	payload, linker and/or payload-linker, which combines both the payload and the linker, as the context requires. Conjugation, which typically refers to the combination of the antibody intermediate and payload-linker and is one of the most important steps in generating bioconjugates, is a separate step from combining the payload and linker molecules
"Payload & Linker Business"	the payload & linker business, which includes the customer resources, personnel and assets relating to such business, acquired by the Group from STA Pharmaceutical
"PCC"	preclinical candidate
"Pre-IPO Share Option Schemes"	collectively, the 2021 Pre-IPO Share Option Scheme and the 2023 Pre-IPO Share Option Scheme
"Prospectus"	the prospectus issued by the Company dated November 7, 2023
"Remaining WXB Group"	WuXi Biologics and its subsidiaries, excluding the Group
"Remuneration Committee"	the remuneration committee of the Board
"Reporting Period"	the one-year period from January 1, 2024 to December 31, 2024
"RMB"	Renminbi, the lawful currency of the PRC
"R&D"	research and development
"Share(s)"	ordinary shares in the share capital of the Company with a par value of US$0.00005 each
"Shareholder(s)"	holder(s) of Share(s)
"STA Pharmaceutical"	STA Pharmaceutical Hong Kong Investment Limited* (合全藥業香港投資有限公司), a limited liability company incorporated in Hong Kong
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"U.S."	The United States of America

"U.S. dollar(s)" or "US$" or "USD"	United States dollar(s), the lawful currency of the United States of America
"WuXi Biologics"	WuXi Biologics (Cayman) Inc. (藥明生物技術有限公司)*, an exempted company incorporated with limited liability in the Cayman Islands, with its shares being listed on the Main Board of the Stock Exchange (HKEx stock code: 2269)
"XDC(s)"	bioconjugates extending beyond ADC first through conjugation of various payloads other than chemical drugs with antibodies, and then further through conjugation of various carriers (other than antibodies) with various payloads
"%"	per cent

In this announcement, the terms "associate", "connected person", "substantial shareholder" and "subsidiary" shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

By order of the Board
WuXi XDC Cayman Inc.
Dr. Jincai LI
Executive Director and Chief Executive Officer

Hong Kong, March 24, 2025

As at the date of this announcement, the board of directors of the Company comprises (i) Dr. Jincai LI, Mr. Jerry Jingwei ZHANG and Mr. Xiaojie XI as executive directors; (ii) Dr. Zhisheng CHEN, Dr. Weichang ZHOU and Ms. Ming SHI as non-executive directors; and (iii) Dr. Ulf GRAWUNDER, Mr. Kenneth Walton HITCHNER III and Mr. Hao ZHOU as independent non-executive directors.

* *For identification purpose only*