



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

* For identification purpose only



2025
Interim Report

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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Dr. Jincal Li
(Chief Executive Officer)
Mr. Jerry Jingwei Zhang
(Chief Operating Officer)
Mr. Xiaojie Xi
*(Chief Financial Officer and
Company Secretary)*

Non-executive Directors

Dr. Zhisheng Chen *(Chairman)*
Dr. Weichang Zhou
(Retired on June 27, 2025)
Dr. Jijie Gu
(Appointed on June 27, 2025)
Ms. Ming Shi

Independent Non-executive Directors

Dr. Ulf Grawunder
Mr. Kenneth Walton Hitchner III
Mr. Hao Zhou

AUDIT COMMITTEE

Mr. Hao Zhou *(Chairman)*
Dr. Ulf Grawunder
Mr. Kenneth Walton Hitchner III

REMUNERATION COMMITTEE

Dr. Ulf Grawunder *(Chairman)*
Mr. Kenneth Walton Hitchner III
Ms. Ming Shi

NOMINATION COMMITTEE

Dr. Zhisheng Chen *(Chairman)*
Dr. Ulf Grawunder
Mr. Hao Zhou
Ms. Ming Shi
(Appointed on June 27, 2025)
Mr. Kenneth Walton Hitchner III
(Appointed on June 27, 2025)

STRATEGY COMMITTEE

Dr. Jincal Li *(Chairman)*
Dr. Zhisheng Chen
Dr. Weichang Zhou
(Retired on June 27, 2025)
Dr. Jijie Gu
(Appointed on June 27, 2025)
Dr. Ulf Grawunder
Mr. Kenneth Walton Hitchner III

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

Dr. Jincal Li *(Chairman)*
Mr. Jerry Jingwei Zhang
Dr. Weichang Zhou
(Retired on June 27, 2025)
Dr. Jijie Gu
(Appointed on June 27, 2025)
Ms. Ming Shi

AUTHORISED REPRESENTATIVES

Mr. Jerry Jingwei Zhang
Mr. Xiaojie Xi

COMPANY SECRETARY

Mr. Xiaojie Xi

REGISTERED OFFICE

PO Box 309
Ugland House
Grand Cayman KY1-1104
Cayman Islands

CORPORATE HEADQUARTER

No.11 Xinhui Ring Road
Xinwu District
Wuxi City
Jiangsu Province
China

Corporate Information

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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1 Matheson Street
Causeway Bay
Hong Kong

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR

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Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

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Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

HONG KONG LEGAL ADVISER

Fangda Partners
26/F One Exchange Square
8 Connaught Place
Central
Hong Kong

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
Registered Public Interest Entity Auditors
35/F One Pacific Place
88 Queensway
Hong Kong

STOCK CODE

2268

COMPANY WEBSITE

www.wuxixdc.com

Financial Highlights

	Six months ended June 30,		
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)	Change
Revenue	2,700,869	1,665,199	62.2%
Gross profit	975,247	535,331	82.2%
<i>Gross profit margin</i>	36.1%	32.1%	
Net profit attributable to owners of the Company	745,701	488,228	52.7%
<i>Margin of net profit attributable to owners of the Company</i>	27.6%	29.3%	
Adjusted net profit before interest income and expense attributable to owners of the Company ^(Note 1)	732,621	431,964	69.6%
<i>Margin of adjusted net profit before interest income and expense attributable to owners of the Company</i>	27.1%	25.9%	
Adjusted net profit including interest income and expense attributable to owners of the Company ^(Note 2)	800,770	533,619	50.1%
<i>Margin of adjusted net profit including interest income and expense attributable to owners of the Company</i>	29.6%	32.0%	
Earnings per share			
— Basic	0.62	0.41	51.2%
— Diluted	0.57	0.38	50.0%
Adjusted earnings per share ^(Note 2)			
— Basic	0.67	0.45	48.9%
— Diluted	0.61	0.41	48.8%

Financial Highlights

The Group achieved impressive results for the six months ended June 30, 2025. The Group's revenue and gross profit exhibited strong growth, increasing by 62.2% and 82.2% period-on-period to RMB2,700.9 million and RMB975.2 million, respectively. In addition, net profit attributable to owners of the Company has increased to RMB745.7 million for the six months ended June 30, 2025, a period-on-period increase of 52.7%, while adjusted net profit before interest income and expense attributable to owners of the Company^(Note 1) also exhibited strong growth, rising to RMB732.6 million for the six months ended June 30, 2025, which represents a period-on-period increase of 69.6%.

The Board does not recommend any payment of interim dividend for the six months ended June 30, 2025.

Notes:

- (1) The Group defines "adjusted net profit before interest income and expense attributable to owners of the Company" as net profit attributable to owners of the Company after elimination of share-based compensation expense, interest income (including interest income from bank balances, short-term bank deposits and time deposits) and interest expense from borrowings as a non-operating item. It is a non-IFRS measure intended to supplement to the Group's interim 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.
- (2) Adjusted net profit including interest income and expense attributable to owners of the Company is calculated as net profit attributable to owners of the Company (an IFRS measure) after elimination of share-based compensation expense as a non-cash item. It is intended to be used as a supplement to the Group's interim 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 adjusted net profit including interest income and expense attributable to owners of the Company as well as certain other 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."

Corporate Profile

The Group is a leading CRDMO focused on the global ADC and broader bioconjugate market and dedicated to providing integrated and comprehensive services. Leveraging expertise in both biologics and small molecules, The Group offers interdisciplinary and comprehensive services, covering bioconjugate discovery, research, development and manufacturing. 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.

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 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. The Group have been able to achieve a high customer retention because of its service quality, industry-leading development timeline, world-class and innovative process development technology and proven GMP manufacturing capabilities. Since its inception in 2013 and up to June 30, 2025, the Group continued to solidify leadership with growing customer base and maintained high customer retention rate. Winning customers at the CMC stage is another key driver of the Group's future growth.

Management Discussion and Analysis

BUSINESS REVIEW

The Group continued to experience rapid and robust business growth in the first half of 2025, building upon the strong foundation achieved in 2024. 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 the first half of 2025 with continuous active business expansion and increased demand from customers globally for its services. As at June 30, 2025, the Group has cumulatively served 563 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. Cumulatively, the Group has successfully secured 11 process performance qualifications ("PPQ") projects and 1 commercial stage project.

In recognition of its excellence, the Company has been the winner of the "Best CDMO" Award 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 ADCs 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 had continued to expand its manufacturing capacities and acquire talents throughout the Reporting Period. The GMP release of the XDP3 facility, the Wuxi site expansion (including the ongoing construction of the XDP5 facility) and the construction of the new site in Singapore by the Group are making solid progress as planned, which will bring additional mAb, DS and DP production lines, laboratories and office space upon completion.

As at June 30, 2025, the Group had 2,270 full-time employees, representing an increase of approximately 51.7% as compared to June 30, 2024.

Management Discussion and Analysis

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 six months ended June 30, 2025 increased by 62.2% period-on-period to RMB2,700.9 million.
- Gross profit for the six months ended June 30, 2025 increased 82.2% period-on-period to RMB975.2 million.
- Adjusted net profit before interest income and expense attributable to owners of the Company^(Note) for the six months ended June 30, 2025 increased by 69.6% period-on-period to RMB732.6 million.
- Adjusted net profit including interest income and expense attributable to owners of the Company^(Note) for the six months ended June 30, 2025 increased by 50.1% period-on-period to RMB800.8 million.
- Net profit for the six months ended June 30, 2025 increased by 52.7% period-on-period to RMB745.7 million.
- 37 integrated projects were newly signed during the Reporting Period.
- 3 new PPQ projects were added during the Reporting Period.
- The total number of integrated projects increased from 167 as at June 30, 2024 to 225 as at June 30, 2025.
- The total number of ongoing post-IND projects increased from 76 as at June 30, 2024 to 103 as at June 30, 2025.
- The total number of phase II and beyond projects increased from 29 as at June 30, 2024 to 37 as at June 30, 2025. Among these projects, 11 PPQ projects and 1 commercial stage project were scheduled within the Group's site in Wuxi, China as at June 30, 2025.
- The Group also moved forward 59 projects from discovery to iCMC stage cumulatively during the Reporting Period.

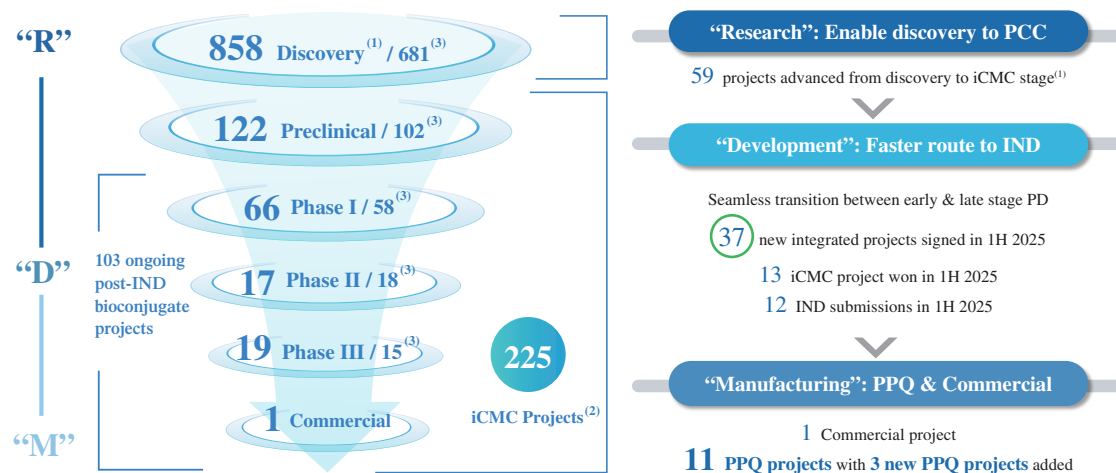
Management Discussion and Analysis

- The cumulative total number of drug discovery stage projects executed by the Group since inception increased from 538 as at June 30, 2024 to 858 as at June 30, 2025.
- The Group's effective execution of the "win the molecule" strategy cumulatively brought 80 external projects into the pipeline since the inception of the Group.

Note: Adjusted net profit including interest income and expense attributable to owners of the Company is calculated as net profit attributable to owners of the Company (an IFRS measure) after elimination of share-based compensation expense as a non-cash item, whereas adjusted net profit before interest income and expense attributable to owners of the Company is calculated as net profit attributable to owners of the Company after elimination of share-based compensation expense, interest income (including interest income from bank balances, short-term bank deposits and time deposits) and interest expense from borrowings as a non-operating item. They are non-IFRS measures intended to supplement to the Group's interim results prepared in accordance with IFRS and are 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 following funnel diagram sets forth the developmental stages and other details of ongoing integrated projects as at June 30, 2025. From its inception through June 30, 2025, the Group has executed a cumulative total of 858 discovery projects. These discovery projects are regarded as strategic 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 of June 30, 2025, the Group had 225 ongoing integrated projects.

Number of Projects Through “Enable – Follow – Win” Strategy



Management Discussion and Analysis

Notes:

- 1 Cumulative number of projects since the Group's inception and as at June 30, 2025.
- 2 As at June 30, 2025, the number of ongoing integrated CMC projects, excluding projects with no revenue contribution in the past 30 months.
- 3 The small-sized figures account for the number of projects as at December 31, 2024, save for the number of projects at discovery stage which is cumulative from the Group's inception up until December 31, 2024.

The following table sets forth the details of ongoing projects by each development stage. During the six months ended June 30, 2025, 11 ongoing post-IND projects were advanced from the pre-IND stage leveraging the Group's ADC CRDMO services.

Development Stage	Typical Duration	As at June 30, 2024		As at June 30, 2025	
		Number of Ongoing Projects ⁽³⁾	Type of Projects	Number of Ongoing Projects ⁽³⁾	Type of Projects
Discovery	N/A ⁽¹⁾	538 ⁽⁴⁾	ADC (412) and XDC (126)	858 ⁽⁴⁾	ADC (648) and XDC (210)
Preclinical	1–2 years	91	ADC (83) and XDC (8)	122	ADC (111) and XDC (11)
Clinical	Multiple years ⁽²⁾	76	ADC (69) and XDC (7)	103	ADC (90) and XDC (13)

Notes:

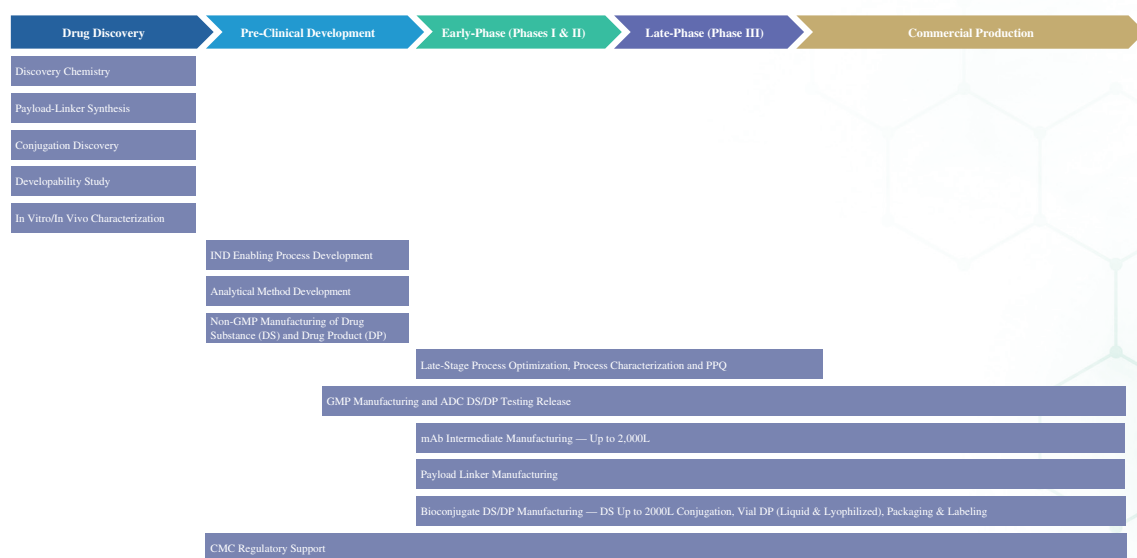
1. The duration of discovery projects can vary significantly in light of their ad hoc nature and depends on the types of projects at issue. Therefore, there is not a typical range for discovery projects.
2. The typical duration of projects in phase I, II and III stages are 1–3 years, 2–4 years and 3–5 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 in the past 30 months.
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.

Management Discussion and Analysis

The Group's revenue for the six months ended June 30, 2025 increased by 62.2% period-on-period to RMB2,700.9 million, together with a 82.2% period-on-period growth in gross profit to RMB975.2 million, and a 50.1% period-on-period increase in adjusted net profit including interest income and expense attributable to owners of the Company to RMB800.8 million. The Group's total backlog also increased by 57.9% from US\$841.7 million as at June 30, 2024 to US\$1,329.0 million as at June 30, 2025. 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.

Management Discussion and Analysis

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 858 projects in the drug discovery stage since inception through June 30, 2025, involving (i) discovery chemistry, (ii) conjugation discovery, (iii) *in vitro* and *in vivo* characterization, and (iv) developability study, being 320 projects more than the 538 projects as at June 30, 2024. 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 June 30, 2025, the Group has a total of 188 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 50 projects more than the 138 projects as at June 30, 2024.

Management Discussion and Analysis

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 June 30, 2025, the Group has a total number of 37 projects in phase II and beyond development and process validation, involving process optimization, process characterization and performance qualification, being 8 projects more than the 29 projects as at June 30, 2024. 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. It 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.

Management Discussion and Analysis

As at the date of this report, 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. 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.

Over the course of its business development, the Group has been continuously expanding its manufacturing facilities in both Wuxi, China and Singapore. As at the date of this report, the XDP3 facility at the Wuxi site has launched GMP operation as scheduled. The existing facilities 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 XDP5 facility in Wuxi, China is currently under construction and expected to commence operation in 2027.

The Group's facility in Singapore also achieved the milestone of mechanical completion in June 2025 and has officially moved into the facility C&Q (Commissioning and Qualification) stage. The Singapore site is expected to commence GMP manufacturing in 2026. It is anticipated that there will be four production lines at the Singapore site providing comprehensive manufacturing capabilities from preclinical stage to commercialization, 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.

Management Discussion and Analysis

The following table summarizes the current and upcoming manufacturing facilities of the Group:

Site	Site Area (sq.m.)	Capacity
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Mainland China facilities

Wuxi	58,749	Conjugation Drug Substance Production ("XBCM") and Antibody Intermediates Production ("XmAb")
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- XBCM1 facility with single-use reactor systems ranging from 5 liters to 500 liters and the redesigned reactor system with additional DS capacity, commenced operation in the first half of 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 m² & 1x20 m²).
- 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 m² & 2x20 m²).
- 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 m²).
- XDP5 facility is designed to produce twelve million doses of bioconjugate drug products per year in liquid or lyophilized form (12 million vials, lyophilizer 4x30 m²) and is expected to commence operation in 2027.

Payload Linker ("XPLM")

- XPLM1 facility is designed as a kilogram-scale payload and linker production line.

Management Discussion and Analysis

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.
Global facility		
Singapore	25,000	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 GMP manufacturing in 2026. - XBCM4 production line facility with capacity of up to 500 liters of bioconjugate drug substance per batch and is expected to commence GMP manufacturing in 2026. 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 m² & 2x30 m²) and is expected to commence operation in 2026.

Management Discussion and Analysis

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. For novel conjugation technologies, 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 June 30, 2025, the proprietary WuXiDARx™ platform has successfully facilitated customers to bring 7 ADC pipelines from preclinical stage to clinical stage.



In addition to WuXiDARx™, the Group has launched X-LinC technology, which serves as a highly stable connector and aims to improve ADC stability and therapeutic window.

For advanced payload-linker technologies, the Group is also developing its proprietary CPT payload and hydrophilic linker, to enable ADCs with better stability, hydrophilicity and tolerability. During the Reporting Period, the Group launched novel payload-linker technology platforms WuXiTecan-1 and WuXiTecan-2. Meanwhile, proprietary payloads with novel mechanisms of action and multi-payload platform are also under development.

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

Management Discussion and Analysis

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 June 30, 2025, the Group has completed more than 160 GMP audits from global clients, including 16 audits by EU Qualified Persons (EU QP). 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 was 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 the end of the Reporting Period, the Group had cumulatively progressed 54 ADC projects and 5 non-ADC projects from discovery to CMC development, and the Group had won 80 projects to its platform cumulatively.

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 419 as at June 30, 2024 to 563 as at June 30, 2025.

As at June 30, 2025, 13 out of the top 20 global pharmaceutical companies¹ partnered with the Group to develop ADCs or XDCs, which comprises approximately 32.8% of the Group's total revenue in the six months ended June 30, 2025.

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

¹ The top 20 global pharmaceutical companies were ranked by their revenue in 2024.

Management Discussion and Analysis

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 "Best CEO", "Best CFO", "Best Company Board", "Best IR Professional", "Best IR Program" and "Best ESG" awards from Extel (previously "Institutional Investor Research").

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.

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.

Management Discussion and Analysis

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 faster 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 working with a fragmented supply chain encountered various challenges related to vendor management. Managing multiple suppliers — each responsible for a specific ADC component such as the antibody, linker, or payload — required coordination of quality controls, alignment of timelines, and effective communication among all parties. The lack of an integrated service could lead to inconsistencies in product quality, leading to increased interest in comprehensive service providers or "All-in-One" manufacturing facilities, such as WuXi XDC, to address these issues.

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

- **Continue to focus on cutting-edge technologies through internal R&D and strategic partnerships, empowering clients to explore and unlock frontier modalities**

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 is strategically devoted to developing and upgrading in-house conjugation technologies and advanced payload-linker technologies, and ultimately to enhance therapeutic potential of ADCs.

Leveraging its accumulated expertise and advanced technology platforms, the Group maintains a leading position in the innovation of novel modalities. This enables the Group to conduct differentiated and diverse R&D activities, with a focus on exploring cutting-edge areas such as bispecific ADCs, dual-payload ADCs, degrader-antibody conjugates (DAC), antibody-oligonucleotide conjugates (AOC), antibody-peptide conjugates (APC), etc. The Group's commitment to innovation drives it to push the boundaries of what is possible in the bioconjugate field.

Management Discussion and Analysis

- **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 operations expected to commence at the Singapore site by late 2025 and GMP manufacturing in 2026, 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. To address the growing demand for DP services and further solidify the integrated service capability, the Group achieved GMP release of XDP3 facility at the Wuxi site in July 2025. Moreover, XDP5 facility is currently under construction and is expected to commence GMP manufacturing 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 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.

Management Discussion and Analysis

FINANCIAL REVIEW

Revenue

The revenue of the Group increased by 62.2% from RMB1,665.2 million for the six months ended June 30, 2024 to RMB2,700.9 million for the six months ended June 30, 2025. 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 periods indicated:

Revenue ⁽¹⁾	Six months ended June 30,			
	2025		2024	
	RMB'000		RMB'000	
	(Unaudited)		(Unaudited)	
— North America	1,390,612	51.5%	823,158	49.4%
— China	484,613	17.9%	435,167	26.1%
— Europe	604,749	22.4%	310,206	18.7%
— Others ⁽²⁾	220,895	8.2%	96,668	5.8%
Total	2,700,869	100.0%	1,665,199	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 the Group's established industry position as a leading CRDMO service provider for ADCs and other bioconjugates.

Management Discussion and Analysis

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 periods indicated:

Revenue	Six months ended June 30,			
	2025 RMB'000 (Unaudited)		2024 RMB'000 (Unaudited)	
Pre-IND services	1,116,274	41.3%	654,421	39.3%
Post-IND services	1,584,595	58.7%	1,010,778	60.7%
Total	2,700,869	100.0%	1,665,199	100.0%

Revenue from both pre-IND services and post-IND services increased during the Reporting Period, as compared to the same period in 2024, 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.

Management Discussion and Analysis

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 periods indicated:

Revenue	Six months ended June 30,			
	2025		2024	
	RMB'000 (Unaudited)		RMB'000 (Unaudited)	
ADC	2,504,414	92.7%	1,562,935	93.9%
Non-ADC	196,455	7.3%	102,264	6.1%
Total	2,700,869	100.0%	1,665,199	100.0%

As at June 30, 2025, the Group had 201 ADC integrated projects and 24 non-ADC integrated projects, accounting for respectively 89.3% and 10.7% 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 52.7% from RMB1,129.9 million for the six months ended June 30, 2024 to RMB1,725.6 million for the six months ended June 30, 2025, 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.

Management Discussion and Analysis

Gross Profit and Gross Profit Margin

The gross profit of the Group increased by 82.2% from RMB535.3 million for the six months ended June 30, 2024 to RMB975.2 million for the six months ended June 30, 2025. During the Reporting Period, the Group continued to enhance its operation efficiency and optimize its procurement strategy. We continued to improve the utilization ratio of existing production facilities, and achieved faster ramp-up of newly operating production lines. As a result of these factors, the Group's gross profit margin further increased from 32.1% for the six months ended June 30, 2024 to 36.1% for the six months ended June 30, 2025.

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 105.0% from RMB23.9 million for the six months ended June 30, 2024 to RMB49.0 million for the six months ended June 30, 2025, primarily due to the Group's continued investments in its marketing activities and recruitment of 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 42.9% from RMB75.5 million for the six months ended June 30, 2024 to RMB107.9 million for the six months ended June 30, 2025, 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.

Management Discussion and Analysis

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 4.0% from RMB47.6 million for the six months ended June 30, 2024 to RMB49.5 million for the six months ended June 30, 2025, 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 R&D staff and compensation.

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 from RMB0.2 million for the six months ended June 30, 2024 to RMB7.7 million for the six months ended June 30, 2025, primarily due to an increase in interest expense on 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, and (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 decreased by 10.7% from RMB136.4 million for the six months ended June 30, 2024 to RMB121.8 million for the six months ended June 30, 2025, primarily due to a decrease in interest income from banks.

Other Gains and Losses

The other gains and losses of the Group primarily include fair value gain on wealth management products and losses on disposal of property, plant and equipment.

The Group recorded net other gains of RMB40.4 million for the six months ended June 30, 2024 and recorded net other losses of RMB13.9 million for the six months ended June 30, 2025, primarily due to net foreign exchange loss and losses on disposal of property, plant and equipment, which offset the fair value gain on wealth management products, resulting in an overall net other losses.

Management Discussion and Analysis

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 recognized Impairment Losses of RMB3.2 million for the six months ended June 30, 2024, primarily due to the subsequent repayment of trade receivables by certain customers. The Group recognized Impairment Losses of RMB1.9 million for the six months ended June 30, 2025, primarily due to the increased trade and other receivable balance 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 from RMB73.5 million for the six months ended June 30, 2024 to RMB121.4 million for the six months ended June 30, 2025, which is in line with the increment of profit before tax. The effective tax rate of the Group increased from 13.1% for the six months ended June 30, 2024 to 14.0% for the six months ended June 30, 2025, mainly due to business growth of the Group.

Net Profit and Net Profit Margin

As a result of the foregoing, the Group’s net profit increased by 52.7% from RMB488.2 million for the six months ended June 30, 2024 to RMB745.7 million for the six months ended June 30, 2025. 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-cash share-based compensation). The Group’s net profit margin decreased from 29.3% for the six months ended June 30, 2024 to 27.6% for the six months ended June 30, 2025, primarily due to an increase in interest expense, a decrease in interest income and net foreign exchange loss.

Adjusted Net Profit Before Interest Income and Expense and Margin of Adjusted Net Profit Before Interest Income and Expense

The Group’s adjusted net profit before interest income and expense increased by 69.6% from RMB432.0 million for the six months ended June 30, 2024 to RMB732.6 million for the six months ended June 30, 2025. Margin of adjusted net profit before interest income and expense was 27.1% for the six months ended June 30, 2025, increased from 25.9% for the six months ended June 30, 2024.

Management Discussion and Analysis

Adjusted Net Profit Including Interest Income and Expense and Margin of Adjusted Net Profit Including Interest Income and Expense

The adjusted net profit including interest income and expense of the Group increased by 50.1% from RMB533.6 million for the six months ended June 30, 2024 to RMB800.8 million for the six months ended June 30, 2025. Margin of adjusted net profit including interest income and expense was 29.6% for the six months ended June 30, 2025, decreased from 32.0% for the six months ended June 30, 2024.

Basic and Diluted Earnings Per Share

The basic earnings per share of the Group increased by 51.2% from RMB0.41 for the six months ended June 30, 2024 to RMB0.62 for the six months ended June 30, 2025. The diluted earnings per share of the Group increased by 50.0% from RMB0.38 for the six months ended June 30, 2024 to RMB0.57 for the six months ended June 30, 2025. 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 23.9% from RMB2,724.5 million as at December 31, 2024 to RMB3,376.5 million as at June 30, 2025, primarily due to (i) an increase in value of construction in progress as a result of the expansion of the Wuxi site and 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 1.7% from RMB12.0 million as at December 31, 2024 to RMB11.8 million as at June 30, 2025, primarily due to depreciation on a straight-line basis.

Goodwill

As at June 30, 2025, goodwill amounted to RMB215.2 million, being the same as at December 31, 2024. Goodwill arose from acquisition of the Payload & Linker Business in 2021.

Management Discussion and Analysis

Intangible Assets

The intangible assets of the Group mainly include customer relationship and license.

Intangible assets decreased by 9.2% from RMB44.7 million as at December 31, 2024 to RMB40.6 million as at June 30, 2025, 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 53.4% from RMB118.7 million as at December 31, 2024 to RMB182.1 million as at June 30, 2025, 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) receivables for purchase of raw materials on behalf of customers, (ii) advances to suppliers, (iii) deposits, (iv) prepayments and (v) value-added tax recoverable.

The trade and other receivables of the Group increased by 9.2% from RMB1,800.5 million as at December 31, 2024 to RMB1,965.6 million as at June 30, 2025, 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 14.4% from RMB78.7 million as at December 31, 2024 to RMB90.0 million as at June 30, 2025, which is in line with the business growth of the Group.

Management Discussion and Analysis

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 35.0% from RMB130.4 million as at December 31, 2024 to RMB176.1 million as at June 30, 2025, which is generally in line with the business growth of the Group.

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 financial assets at FVTPL of RMB433.5 million as at December 31, 2024 and of RMB702.7 million as at June 30, 2025. 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 6.1% from RMB1,408.9 million as at December 31, 2024 to RMB1,494.9 million as at June 30, 2025, 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.

Management Discussion and Analysis

Contract Liabilities

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

Contract liabilities increased by 7.8% from RMB504.3 million as at December 31, 2024 to RMB543.7 million as at June 30, 2025, which is generally in line with the business growth of the Group.

Liquidity and Capital Resources

Bank balances and cash and time deposits increased by 8.4% from RMB3,539.8 million as at December 31, 2024 to RMB3,835.7 million as at June 30, 2025, primarily due to the cash used in investing for capital expenditures. 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 June 30, 2025, 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.

Management Discussion and Analysis

Indebtedness

Borrowings

The Group had interest-bearing borrowings of RMB1,020.0 million as at June 30, 2025 as compared to RMB478.0 million as at December 31, 2024. Such borrowings were from reputable banks.

Contingent Liabilities and Guarantees

As at June 30, 2025, 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.

Management Discussion and Analysis

Non-IFRS Measures

To supplement the Group's consolidated financial statements which are presented in accordance with IFRS, the Company presents adjusted net profit including interest income and expense (non-IFRS measure), margin of adjusted net profit including interest income and expense (non-IFRS measure), adjusted net profit including interest income and expense attributable to owners of the Company (non-IFRS measure), margin of adjusted net profit including interest income and expense 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 before interest income and expense (non-IFRS measure), adjusted net profit before interest income and expense attributable to owners of the Company (non-IFRS measure), margin of adjusted net profit before interest income and expense 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-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 including interest income and expense (non-IFRS measure), adjusted net profit before interest income and expense (non-IFRS measure), EBITDA (non-IFRS measure) and adjusted EBITDA (non-IFRS measure) to the corresponding measures under IFRS.

Management Discussion and Analysis

Adjusted Net Profit Including Interest Income and Expense and Adjusted Net Profit Before Interest Income and Expense (non-IFRS measure)

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Net Profit	745,701	488,228
Add:		
Share-based compensation expense	55,069	45,391
Adjusted Net Profit Including Interest Income and Expense (non-IFRS measure)^(Note)	800,770	533,619
<i>Margin of Adjusted Net Profit Including Interest Income and Expense (non-IFRS measure)</i>	29.6%	32.0%
Adjusted Net Profit Including Interest Income and Expense Attributable to Owners of the Company (non-IFRS measure)	800,770	533,619
<i>Margin of Adjusted Net Profit Including Interest Income and Expense Attributable to Owners of the Company (non-IFRS measure)</i>	29.6%	32.0%
	RMB	RMB
Adjusted Earnings Per Share (non-IFRS measure)		
— Basic	0.67	0.45
— Diluted	0.61	0.41
Adjusted Net Profit Including Interest Income and Expense (non-IFRS measure)^(Note)	800,770	533,619
Less:		
Interest income	75,499	101,681
Add:		
Interest expense	7,350	26
Adjusted Net Profit Before Interest Income and Expense Attributable to Owners of the Company (non-IFRS measure)^(Note)	732,621	431,964
<i>Margin of Adjusted Net Profit Before Interest Income and Expense Attributable to Owners of the Company (non-IFRS measure)</i>	27.1%	25.9%

Management Discussion and Analysis

Note: In order to better reflect the key performance of the Group's current business and operations, the adjusted net profit including interest income and expense attributable to owners of the Company is calculated as the net profit attributable to owners of the Company excluding share-based compensation (a non-cash item) of RMB55.1 million (six months ended June 30, 2024: share-based compensation of RMB45.4 million); whereas the adjusted net profit before interest income and expense attributable to owners of the Company is calculated as the net profit attributable to owners of the Company after elimination of share-based compensation of RMB55.1 million (six months ended June 30, 2024: share-based compensation of RMB45.4 million), interest income (a non-operating item which includes interest income from bank balances, short-term bank deposits and time deposits) of RMB75.5 million (six months ended June 30, 2024: interest income from bank balances, short-term bank deposits and time deposits of RMB101.7 million) while including interest expense from borrowings (a non-operating item) of RMB7.4 million (six months ended June 30, 2024: interest expense of RMB0.03 million).

EBITDA and Adjusted EBITDA (non-IFRS measure)

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Net Profit	745,701	488,228
Add:		
Income tax expense	121,449	73,488
Depreciation and amortization	64,541	45,959
Finance costs	7,676	249
Less:		
Interest income from banks	(75,499)	(101,681)
EBITDA (non-IFRS measure)	863,868	506,243
EBITDA Margin (non-IFRS measure)	32.0%	30.4%
Add:		
Share-based compensation expense	55,069	45,391
Adjusted EBITDA (non-IFRS measure)	918,937^(Note)	551,634^(Note)
Adjusted EBITDA Margin (non-IFRS measure)	34.0%	33.1%

Note: The adjusted EBITDA is a non-IFRS financial measure and is calculated as the EBITDA excluding share-based compensation (a non-cash item) of RMB55.1 million (six months ended June 30, 2024: share-based compensation of RMB45.4 million).

Management Discussion and Analysis

Employee and Remuneration Policies

As at June 30, 2025, the Group employed a workforce totaling 2,270 employees. The staff costs, including Directors' emoluments but excluding any contributions to (i) retirement benefit scheme contributions; and (ii) share-based payment expenses, were RMB364.7 million for the six months ended June 30, 2025, as compared to RMB184.9 million for the six months ended June 30, 2024. 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.

Interim Dividend

The Board does not recommend any payment of interim dividend for the six months ended June 30, 2025.

Other Information

CHANGE IN DIRECTOR'S INFORMATION

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in Directors' information after the publication of the 2024 annual report are set out below:

- Dr. Weichang Zhou retired as a non-executive director and a member of the strategy committee of WuXi Biologics on June 6, 2025.
- Dr. Weichang Zhou retired as a non-executive Director and a member of each of the Strategy Committee and the ESG Committee of the Company on June 27, 2025.
- Dr. Jijie Gu was appointed as a non-executive Director and a member of each of the Strategy Committee and the ESG Committee of the Company on June 27, 2025.
- Each of Ms. Ming Shi and Mr. Kenneth Walton Hitchner III was appointed as a member of the Nomination Committee on June 27, 2025.

Save as disclosed in this interim report, there were no changes in information which are required to be disclosed and had not been disclosed by Directors pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) of the Listing Rules.

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.

Other Information

REVIEW OF INTERIM REPORT

The independent auditors of the Company, namely Deloitte Touche Tohmatsu, have carried out a review of the interim financial information in accordance with the Hong Kong Standard on Review Engagement 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. 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 internal control and financial reporting matters (including the review of the unaudited interim results for the six months ended June 30, 2025 and this interim report) of the Group. The Audit Committee and the independent auditors considered that the interim results and this interim report are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility for the risk management and internal control systems and reviewing their effectiveness. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss.

The Board has the overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and establishing and maintaining appropriate and effective risk management and internal control systems.

The Audit Committee oversees and manages the overall risks associated with the business operations. It is also responsible for reviewing and overseeing financial reporting procedure, risk management system and internal control system of the Group.

The senior management team is responsible for (i) formulating and updating the Company's risk management policy and objectives; (ii) conducting risk assessment, including the identification, prioritization, measurement and categorization of all major risks that may have potential impacts on the Company's operations; (iii) making action plans to mitigate potential risks; and (iv) reporting material risks to the Audit Committee.

The internal audit department and other relevant functional teams are responsible for implementing the Company's risk management policy and its day-to-day risk management practices. They are responsible for (i) gathering information about the risks related to the Group's operations; (ii) preparing annual or interim reports on risk management and auditing for the review of the chief operating officer and the Audit committee; (iii) proposing and implementing appropriate measures in response to the risk exposure where necessary; and (iv) continuously monitoring major risks related to the operations.

Other Information

The Company also adopted internal policies against bribery and corruption. The policies strictly prohibit any employee or other personnel acting on its behalf from making, proposing or promising improper payments, directly or indirectly, in any form of cash, physical assets, loans, gifts, luxury trips, entertainment, donations, other valuables or benefits to anyone, including government officials, customers or suppliers, for the purposes of acquiring or securing any business or improper advantage, regardless of whether the Company benefit from such improper payments.

The employees and other personnel acting on the Group's behalf are not allowed to accept or solicit any such improper payments as well. The anti-bribery and anti-corruption policies also prohibit other misconducts, such as misappropriation and embezzlement, fraud or other illegal activities. Employees who violate the Company's anti-bribery and anti-corruption policies are subject to penalties, including termination of employment.

The Company has engaged an internal control consultant to perform certain agreed-upon procedures in connection with the internal control of the Company and its major operating subsidiaries and to report factual findings on the Group's entity-level controls and internal controls of various processes, including financial reporting and disclosure controls, sales, accounts receivable and collection, procurement, accounts payable and payment, fixed assets and assets under construction, human resources and payroll management, cash and treasury management, inventory management, general controls of IT system, taxation management, production and costing, insurance management, research and development and intangible assets.

The Company has adopted a series of internal control policies, measures and procedures designed to provide reasonable assurance for achieving objectives, including effective and efficient operations, reliable financial reporting and compliance with applicable laws and regulations. The internal control policies, measures and procedures which the Company implemented or plans to implement are summarized below:

- The Company has formed a compliance office, which is responsible for oversees the overall internal control, corporate governance and legal compliance matters of the Group.
- The compliance office is responsible for formulating and revising internal control policies, measures and procedures to ensure that the Company maintain sound and effective internal controls and compliance with applicable laws and regulations. It also monitors the implementation of the Company's internal control policies, measures and procedures, and conducts regular compliance audits.
- The Company has adopted various measures and procedures for each aspect of the business operation, such as project management, quality assurance, protection of intellectual property, environmental protection and occupational health and safety. Employees are provided with periodic training about these measures and procedures. The Company also constantly monitored the implementation of those measures and procedures.

Other Information

- The Company has adopted comprehensive internal control measures for anti-corruption and anti-bribery by (i) providing regular anti-corruption and anti-bribery compliance training for senior management and employees, including daily compliance team meeting, annual compliance training and other ad hoc compliance training sessions, to enhance their knowledge and compliance with applicable law and regulations; (ii) monitoring books, records and accounts with respect to supplier management, tendering and bidding process management and financial payment management to identify any false, misleading or undisclosed entries; (iii) establishing whistle-blowing mechanisms and encouraging all employees, suppliers, customers and other third parties to report suspicious activities and violations of the policies.
- The compliance office has established a system for whistleblowing and handling complaints against the Directors, senior management, employees, customers and other business partners, as well as a mechanism for making independent and fair investigations on reported complaints and taking appropriate actions. The compliance office has also established an online platform through which the employees and those who deal with the Company can report their complaints and concerns in confidence and anonymity, with the Audit Committee and compliance office about possible improprieties in any matters related to the Company. In addition, the Audit Committee and compliance office will evaluate the effectiveness of and potential loopholes in the Company's internal control system based on complaints received to improve its internal control policies, measures and procedures accordingly.

The Company has developed its disclosure policy which provides a general guide to the Directors, officers, senior management and relevant employees in handling confidential information, monitoring information disclosure and responding to enquiries.

Control procedures have been implemented to ensure that unauthorized access and use of inside information are strictly prohibited.

The risk management and internal control systems are reviewed annually. The management has confirmed to the Board and the Audit Committee on the effectiveness of the risk management and internal control systems for the Reporting Period. The Board, as supported by the Audit Committee as well as the management report and the internal audit findings, reviewed the risk management and internal control systems of the Group, including the financial, operational and compliance controls, for the Reporting Period, and considered that such systems are effective and adequate. The annual review also covered the financial reporting and staff qualifications, experience and relevant resources.

Other Information

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As at June 30, 2025, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or which were recorded in the register required to be kept pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Interest in Shares or underlying Shares of the Company

Name of Director and Chief Executive	Capacity/ Nature of interest	Number of Shares held ⁽¹⁾	Approximate percentage of the Company's issued share capital ⁽²⁾
Dr. Jincai Li	Beneficial owner ⁽³⁾	32,896,948 (L)	2.73%
Mr. Jerry Jingwei Zhang	Beneficial owner ⁽⁴⁾	3,516,617 (L)	0.29%
Mr. Xiaojie Xi	Beneficial owner ⁽⁵⁾	10,283,494 (L)	0.85%
Dr. Zhisheng Chen	Beneficial owner Founder of a discretionary trust ⁽⁶⁾	3,242 (L) 415,636 (L)	0.00% 0.03%

Notes:

- (1) The letter "L" denotes the person's long position in the Shares.
- (2) As at June 30, 2025, the number of issued Shares of the Company was 1,203,043,190 Shares.
- (3) Interests in options and restricted Shares granted pursuant to the 2021 Pre-IPO Share Option Scheme, the 2023 Pre-IPO Share Option Scheme and the 2024 Share Scheme, respectively.
- (4) Interests in options and restricted Shares granted pursuant to the 2023 Pre-IPO Share Option Scheme and the 2024 Share Scheme, respectively.
- (5) Interests in options and restricted Shares granted pursuant to the 2023 Pre-IPO Share Option Scheme and the 2024 Share Scheme, respectively.
- (6) Shares were held by Dr. Zhisheng Chen through a trust of which Dr. Zhisheng Chen is the settlor (founder) and his spouse and child are the beneficiaries.

Other Information

Interest in Shares or underlying Shares of the associated corporations

Name of Director and Chief Executive	Name of associated corporation	Capacity/ Nature of interest	Equity Interest in the Associated Corporation held ⁽¹⁾	Approximate percentage of the equity interest ⁽⁹⁾
Dr. Jincui Li	WuXi Biologics (Cayman) Inc. ⁽²⁾	Beneficial owner ⁽³⁾	1,672,653 (L)	0.04%
Mr. Jerry Jingwei Zhang	WuXi Biologics (Cayman) Inc. ⁽²⁾	Beneficial owner ⁽⁴⁾	54,993 (L)	0.00%
Dr. Zhisheng Chen	WuXi Biologics (Cayman) Inc. ⁽²⁾	Beneficial owner ⁽⁵⁾	103,763,765 (L)	2.55%
		Founder of a discretionary trust ⁽⁶⁾	10,706,254 (L)	0.26%
Dr. Jijie Gu	WuXi Biologics (Cayman) Inc. ⁽²⁾	Beneficial owner ⁽⁷⁾	2,940,583 (L)	0.07%
Ms. Ming Shi	WuXi Biologics (Cayman) Inc. ⁽²⁾	Interest of spouse ⁽⁸⁾	3,000 (L)	0.00%
Mr. Kenneth Walton Hitchner III	WuXi Biologics (Cayman) Inc. ⁽²⁾	Beneficial owner	203,205 (L)	0.00%

Notes:

- (1) The letter "L" denotes the person's long position in the Shares.
- (2) WuXi Biologics (Cayman) Inc. is the controlling shareholder of the Company, and therefore an "associated corporation" of the Company within the meaning of Part XV of the SFO. As at June 30, 2025, WuXi Biologics (Cayman) Inc. directly or indirectly held 611,350,000 Shares of the Company which accounted for approximately 50.82% of the total issued Shares of the Company.
- (3) Interests in restricted share units granted pursuant to the restricted share award scheme adopted by WuXi Biologics (Cayman) Inc. on January 15, 2018 (the "**WXB Restricted Share Award Scheme**") and/or the share award scheme for global partner program adopted by WuXi Biologics (Cayman) Inc. on June 16, 2021 (the "**WXB Global Partner Program Share Scheme**").
- (4) Interests in restricted share units granted pursuant to the WXB Restricted Share Award Scheme and/or the WXB Global Partner Program Share Scheme.
- (5) Interests in restricted shares granted pursuant to the WXB Restricted Share Award Scheme and/or the WXB Global Partner Program Share Scheme and the interests in options granted pursuant to the pre-IPO share option scheme adopted by WuXi Biologics (Cayman) Inc. on January 5, 2016, and amended on August 10, 2016 (the "**WXB Pre-IPO Share Option Scheme**").
- (6) Shares were held by Dr. Zhisheng Chen through a trust of which Dr. Zhisheng Chen is the settlor (founder) and his spouse and child are the beneficiaries.
- (7) Interests in restricted shares granted pursuant to the WXB Restricted Share Award Scheme and/or the WXB Global Partner Program Share Scheme.
- (8) Ms. Ming Shi is deemed to be interested in the 3,000 shares in WuXi Biologics (Cayman) Inc. held by her husband, Mr. Weimin Jiang.
- (9) The calculation is based on the total number of 4,068,902,309 shares of WuXi Biologics (Cayman) Inc. in issue as of June 30, 2025.

Other Information

Save as disclosed above, as at June 30, 2025, to the best knowledge of the Directors or chief executive of the Company, none of the Directors or the chief executive of the Company had or was deemed to have any interest or short position in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) that was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or required to be recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES OF THE COMPANY

As at June 30, 2025, to the best knowledge of the Directors, the following persons (not being a Director or chief executive of the Company) had interests or short positions in the Shares or underlying Shares of the Company which fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, had interests or short positions in 5% or more of the issued Shares which were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Interest in Shares or underlying Shares of the Company

Name of Shareholders	Capacity/ Nature of interest	Number of Shares held ⁽¹⁾	Approximate percentage of the Company's issued share capital ⁽²⁾
WuXi Biologics (Cayman) Inc.	Beneficial owner	611,350,000 (L)	50.82%
WuXi AppTec Co., Ltd. ⁽³⁾	Interests of controlled corporations	263,200,000 (L)	21.88%
WuXi AppTec (Shanghai) Co., Ltd. (上海藥明康德新藥開發有限公司) ⁽³⁾	Interests of controlled corporations	263,200,000 (L)	21.88%
Shanghai SynTheAll Pharmaceutical Co., Ltd. (上海合全藥業股份有限公司) ⁽³⁾	Interests of controlled corporations	263,200,000 (L)	21.88%
STA Pharmaceutical Hong Kong Investment Limited (合全藥業香港投資有限公司) ⁽³⁾	Beneficial owner	263,200,000 (L)	21.88%

Other Information

Notes:

- (1) The letter "L" denotes the person's long position in the Shares.
- (2) As at June 30, 2025, the number of issued Shares of the Company was 1,203,043,190 Shares.
- (3) STA Pharmaceutical Hong Kong Investment Limited is directly interested in 263,200,000 shares of the Company.

STA Pharmaceutical Hong Kong Investment Limited is a wholly-owned subsidiary of Shanghai SynTheAll Pharmaceutical Co., Ltd. As far as the Company is aware, 98.90% interests of Shanghai SynTheAll Pharmaceutical Co., Ltd. is owned by WuXi AppTec (Shanghai) Co., Ltd., while WuXi AppTec (Shanghai) Co., Ltd. is a wholly-owned subsidiary of WuXi AppTec Co., Ltd., a company whose H shares are listed on the Stock Exchange (stock code: 2359) and A shares listed on the Shanghai Stock Exchange (stock code: 603259).

As such, under the SFO, each of Shanghai SynTheAll Pharmaceutical Co., Ltd., WuXi AppTec (Shanghai) Co., Ltd. and WuXi AppTec Co., Ltd. is deemed to be interested in the 263,200,000 Shares held by STA Pharmaceutical Hong Kong Investment Limited (through its interest in a controlled corporation).

Save as disclosed above, as at June 30, 2025, the Directors were not aware of any persons (who were not Directors or chief executive of the Company) who had an interest or short position in any Shares or underlying Shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under Divisions 2 and 3 of Part XV of the SFO, or had interests or short positions in 5% or more of the issued Shares which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

Other Information

PRE-IPO SHARE OPTION SCHEMES

The Company has adopted the 2021 Pre-IPO Share Option Scheme and the 2023 Pre-IPO Share Option Scheme on November 23, 2021 and March 22, 2023, respectively.

The purpose of the Pre-IPO Share Option Schemes are to enable the Company to grant options to eligible participants as incentives or rewards for their contribution to the Group so as to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group. Participants of the Pre-IPO Share Option Schemes include any full-time or part-time employee, executive, officer, service provider or director (including executive, non-executive or independent non-executive director) of the Company or any member of the Group or any associated company, to be determined at the sole discretion of the Board. No further option would be granted under the Pre-IPO Share Option Schemes on or after the Listing Date. The life of the Pre-IPO Share Option Schemes is 10 years from the date of adoption. The remaining life of the 2021 Pre-IPO Share Option Scheme and the 2023 Pre-IPO Share Option Scheme is approximately 6 years and 7.5 years respectively. As at the date of this interim report, there are no more securities available for grant under the Pre-IPO Share Option Schemes.

The maximum aggregate number of options which may be issued under the 2021 Pre-IPO Share Option Scheme shall not exceed 100,000,000 Shares, representing approximately 8.49% of the enlarged issued share capital of the Company immediately upon completion of the Global Offering (assuming that all options granted under the 2021 Pre-IPO Share Option Schemes are exercised, but without taking into account any Shares which may be allotted and issued upon the exercise of the Over-allotment Option) have been conditionally granted by the Company under the 2021 Pre-IPO Share Option Schemes and approximately 8.31% of the issued Share as at the date of this interim report.

The maximum aggregate number of options which may be issued under the 2023 Pre-IPO Share Option Scheme shall not exceed 40,000,000 Shares, representing approximately 3.39% of the enlarged issued share capital of the Company immediately upon completion of the Global Offering (assuming that all options granted under the 2023 Pre-IPO Share Option Schemes are exercised, but without taking into account any Shares which may be allotted and issued upon the exercise of the Over-allotment Option) have been conditionally granted by the Company under the 2023 Pre-IPO Share Option Schemes and approximately 3.32% of the issued Share as at the date of this interim report.

The table below shows details of the movements in the share options granted under the Pre-IPO Share Option Scheme during the Reporting Period.

Other Information

2021 Pre-IPO Share Option Scheme

Category of Participant	Date of Grant	Exercise Price	Outstanding as at January 1, 2025	Granted during the Reporting Period ⁽¹⁾	Exercised during the Reporting Period	Lapsed/ Forfeited during the Reporting Period	Cancelled during the Reporting Period	Outstanding as at June 30, 2025	Exercise Period ⁽²⁾
Directors, chief executive or substantial shareholders of the listed issuer, or their respective associates									
Dr. Jincai Li	June 10, 2022	RMB1.658	32,160,000	-	-	-	-	32,160,000	10 years
Sub-total			<u>32,160,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,160,000</u>	
Substantial Shareholders and their associates									
Participants with options in excess of 1% individual limit					N/A				
Related entity participants or service providers with options granted and to be granted during the Reporting Period exceeding 0.1% individual limit					N/A				
Other employee participants (in aggregate)									
78 employees	April 1, 2022	RMB1.658	16,528,274	-	1,340,867	-	-	15,187,407	10 years
58 employees	August 18, 2022	RMB1.850	7,544,477	-	274,179	-	-	7,270,298	10 years
83 employees	January 6, 2023	RMB1.868	17,335,931	-	1,399,725	-	67,392	15,868,814	10 years
Sub-total			<u>41,408,682</u>	<u>-</u>	<u>3,014,771</u>	<u>-</u>	<u>67,392</u>	<u>38,326,519</u>	
Other related entity participants									
Other service providers				N/A					
Total			<u>73,568,682</u>	<u>-</u>	<u>3,014,771</u>	<u>-</u>	<u>67,392</u>	<u>70,486,519</u>	

Notes:

- (1) The options granted are exercisable subject to the vesting schedule of 20% on each of the second, third and fourth anniversaries, and 40% on the fifth anniversary, of the date of grant, save as otherwise determined by the Board at its sole discretion.
- (2) The options granted shall be exercisable during a period from the vesting date of the option until the expiry of 10 years from the date of the grant of the option.

Other Information

2023 Pre-IPO Share Option Scheme

Category of Participant	Date of Grant	Exercise Price	Outstanding as at January 1, 2025	Granted during the Reporting Period ⁽¹⁾	Exercised during the Reporting Period	Lapsed/ Forfeited during the Reporting Period	Cancelled during the Reporting Period	Outstanding as at June 30, 2025	Exercise Period ⁽²⁾
Directors, chief executive or substantial shareholders of the listed issuer, or their respective associates									
Dr. Jincai Li	August 24, 2023	RMB6.900	295,840	-	-	-	-	295,840	10 years
Mr. Xiaojie Xi	July 6, 2023	RMB4.500	10,000,000	-	-	-	-	10,000,000	10 years
Mr. Jerry Jingwei Zhang	July 6, 2023	RMB4.500	3,254,016	-	-	-	-	3,254,016	10 years
Sub-total			13,549,856	-	-	-	-	13,549,856	
Substantial Shareholders and their associates									
Participants with options in excess of 1% individual limit					N/A				
Related entity participants or service providers with options granted and to be granted during the Reporting Period exceeding 0.1% individual limit					N/A				
Other employee participants (in aggregate)									
69 employees	July 6, 2023	RMB4.500	19,686,014	-	-	-	-	19,686,014	10 years
167 employees	August 24, 2023	RMB6.900	4,125,166	-	15,000	-	2,252	4,107,914	10 years
8 employees	October 30, 2023	RMB6.900	1,687,916	-	-	-	-	1,687,916	10 years
Sub-total			25,499,096	-	15,000	-	2,252	25,481,844	
Other related entity participants									
Other service providers					N/A				
Total			39,048,952	-	15,000	-	2,252	39,031,700	

Notes:

- (1) The options granted are exercisable subject to the vesting schedule of 20% on each of the second, third and fourth anniversaries, and 40% on the fifth anniversary, of the date of grant, save as otherwise determined by the Board at its sole discretion.
- (2) The options granted shall be exercisable during a period from the vesting date of the option until the expiry of 10 years from the date of the grant of the option.

Other Information

In accordance with Pre-IPO Share Option Schemes, the total number of Shares issued and to be issued upon exercise of the options granted to each participant (including exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the Shares in issue. The exercise price was determined by the Board, as it thought fit taking into account, among other things, a participant's contribution to the development and growth of the Group and business performance of the Company.

The options granted under the Pre-IPO Share Option Schemes shall be exercisable during a period from the vesting date of the option until the expiry of 10 years from the date of the grant of the option. Subject to the other terms of the Pre-IPO Share Option Schemes, save as determined otherwise by the Board at its sole discretion, the vesting schedule of the options under the Pre-IPO Share Option Schemes is as follows: (i) 20% of the options shall be vested on the date falling on the second anniversary of the date of grant; (ii) 20% of the options shall be vested on the date falling on the third anniversary of the date of grant; (iii) 20% of the options shall be vested on the date falling on the fourth anniversary of the date of grant; and (iv) 40% of the options shall be vested on the date falling on the fifth anniversary of the date of grant. As no shares may be issued in respect of options granted under the Pre-IPO Share Option Schemes during the Reporting Period, the number of shares that may be issued in respect of options granted under the Pre-IPO Share Option Schemes during the Reporting Period divided by the weighted average number of shares in issue for the Reporting Period is not applicable. The amount payable by each participant to the Company on acceptance of the offer is determined by the Board at the time of grant. Details of the terms and movement of the options granted during the Reporting Period and the impact of options granted under the Pre-IPO Share Option Schemes on the financial statements are set out in the Prospectus and under note 25 to the condensed consolidated financial statements in this interim report.

2024 Share Scheme

The Company has adopted the 2024 Share Scheme on June 12, 2024. The purposes of the 2024 Share Scheme are to (i) recognize the contributions by the selected participants; (ii) encourage, motivate and retain the selected participants, whose contributions are beneficial to the continual operation, development and long-term growth of the Group; and (iii) provide additional incentive for the selected participants to achieve performance goals, with a view to achieving the objectives of increasing the value of the Group and aligning the interests of the selected participants to the Shareholders through ownership of Shares. Participants of the 2024 Share Scheme include employee participants, service providers and related entity participants. The criteria for determination of their eligibility are set out in the 2024 Share Scheme. The maximum number of shares which may be issued and allotted in respect of all awards to be granted under the 2024 Share Scheme and, if applicable, all options and awards to be granted under any other Share Scheme(s), shall not exceed 3.0% of the shares in issue (excluding any treasury shares) as at the adoption date (subject to such higher limit as may be approved by the Shareholders from time to time). The maximum number of shares which may be issued and allotted in respect of awards to be granted to service providers under the 2024 Share Scheme and, if applicable, all options and awards to be granted to service providers under any other Share Scheme(s), shall not exceed 0.3% of the shares in issue (excluding any treasury shares) as at the adoption date (subject to such higher limit as may be approved by the Shareholders from time to time). For the avoidance of doubt, the service provider sublimit is within and is subject to the scheme mandate limit. The maximum entitlement of each participant under the 2024 Share Scheme is 1% of the shares in issue. Vesting shall only occur upon satisfaction (or where applicable, waiver by the Board) of the conditions imposed by the Board as set forth in the notice of award. Participants are not required to pay for the acceptance of the restricted shares. For the purpose of determining the exercise price of each restricted share under the 2024 Share Scheme, it shall be not less than the highest of (i) the nominal value of a share; (ii) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the grant date, which must be a business day; and (iii) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the grant date. Subject to earlier termination by the Board, the 2024 Share Scheme shall be valid and effective for a period of 10 years from the adoption date. The remaining life of the 2024 Share Scheme is approximately 9 years.

Other Information

The maximum number of Shares which can be awarded under the 2024 Share Scheme is limited to 3% (i.e. 35,943,122 Shares) of the issued share capital of the Company as at June 12, 2024 (the date on which the proposed amendments to the 2024 Share Scheme were approved by Shareholders). The number of Shares available for grant under the 2024 Share Scheme was 25,943,137 as of June 30, 2025 (as of December 31, 2024: 31,442,600 Shares). As at June 30, 2025, the total number of Shares available for issue under the 2024 Share Scheme is 35,943,122 Shares (as of December 31, 2024: 35,943,122 Shares), representing approximately 3.00% of the total issued share capital of the Company, and the total number of Shares available for issue to service providers under the 2024 Share Scheme is 3,594,312 Shares (as of December 31, 2024: 3,594,312 Shares), representing approximately 0.30% of the total issued share capital of the Company. During the Reporting Period, the number of Shares that may be issued in respect of restricted shares granted under the 2024 Share Scheme divided by the weighted average number of total Shares in issue during the Reporting Period is 0.83%. Pursuant to the 2024 Share Scheme, the Board shall select the eligible participant and determine the number of Shares to be awarded.

The table below shows details of the movements in the restricted shares granted under the 2024 Share Scheme during the Reporting Period which shall be satisfied by the issuance of new Shares.

Category of Participant	Date of Grant	Closing Price of the Shares immediately before the Date of Grant	Outstanding as at January 1, 2025	Granted during the Reporting Period ⁽¹⁾	Exercised during the Reporting Period	Lapsed/ Forfeited during the Reporting Period	Cancelled during the Reporting Period	Outstanding as at June 30, 2025	Exercise Period ⁽²⁾
Directors									
Dr. Jincal Li	July 12, 2024	HK\$16.00	190,000	-	-	-	-	190,000	5 years
	April 14, 2025	HK\$33.65	-	251,108	-	-	-	251,108	5 years
Mr. Xiaojie Xi	July 12, 2024	HK\$16.00	136,744	-	-	-	-	136,744	5 years
	April 14, 2025	HK\$33.65	-	146,750	-	-	-	146,750	5 years
Mr. Jerry Jingwei Zhang	July 12, 2024	HK\$16.00	154,488	-	-	-	-	154,488	5 years
	April 14, 2025	HK\$33.65	-	108,113	-	-	-	108,113	5 years
Sub-total			481,232	505,971	-	-	-	987,203	
Employees									
208 employees	July 12, 2024	HK\$16.00	3,864,879	-	-	-	-	3,864,879	5 years
4 employees	September 30, 2024	HK\$22.90	290,000	-	-	-	-	290,000	5 years
284 employees	April 14, 2025	HK\$33.65	-	4,881,764	-	23,861	-	4,857,903	5 years
Sub-total			4,154,879	4,881,764	-	23,861	-	9,012,782	
Total			4,636,111	5,387,735	-	23,861	-	9,999,985	

Other Information

Notes:

- (1) No restricted shares were vested during the Reporting Period. Hence, the weighted average closing price of the Shares immediately before the dates on which the restricted shares were vested is not applicable.
- (2) For details of the fair value of the restricted shares at the date of grant and the accounting standard and policy adopted, please refer to note 25 to the condensed consolidated financial statements of this interim report.
- (3) The unvested restricted shares are subject to a time-based vesting schedule of 20% on each of the second, third and fourth anniversaries, and 40% on the fifth anniversary, of the date of grant with no performance target attached.
- (4) The purchase price for the restricted shares transferred or to be transferred to the participants upon vesting is nil.

Details of the restricted shares granted under the 2024 Share Scheme during the Reporting Period are set out in the Company's announcements dated April 14, 2025 and under note 25 to the condensed financial statements in this interim report. For more details of the 2024 Share Scheme, please refer to the Company's circular dated June 12, 2024.

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 June 30, 2025.

Other Information

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 June 30, 2025, 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 June 30, 2025 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 June 30, 2025 HK\$ million	Net proceeds brought forward for the Reporting Period HK\$ million	Remaining amount as at June 30, 2025 HK\$ million	Expected timeline for utilization ^(Note)
Further expansion of the Group's service capability and capacity					
<i>Construction of the Group's facilities at the Singapore site</i>					
Establishment of the facilities at the Singapore site	1,299.2	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	236.1	604.8	472.6	By the end of 2026
<i>Expansion of the Group's production capacity in China</i>					
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	-	-	N/A
Total	3,936.9	2,204.5	2,403.0	1,732.4	

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.

Other Information

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 June 30, 2025, the Company did not hold any treasury Shares.

KEY EVENTS AFTER THE REPORTING PERIOD

The Group has the following event taken place subsequent to June 30, 2025:

- On August 22, 2025, the Company granted a total of 110,543 restricted Shares to 7 grantees under the 2024 Share Scheme. For details of the grant, please refer to the announcement of the Company dated August 22, 2025.
- On September 10, 2025, the Company completed the placing of 22,277,000 placing shares by Morgan Stanley Asia Limited to not less than six placees at the placing price of HK\$58.85 per placing share, representing 1.81% of the issued share capital of the Company as enlarged by the allotment and issue of the placing shares immediately upon completion of the placing. The Company received net proceeds from the placing, after deducting the placing commission and other related expenses and professional fees, of approximately HK\$1,300.68 million (equivalent to approximately US\$166.67 million). For details of the placing, please refer to the announcement of the Company dated September 2, 2025.
- On September 3, 2025, the Company and WuXi Biologics entered into a subscription agreement, pursuant to which the Company has conditionally agreed to issue and allot, and WuXi Biologics, as subscriber, has conditionally agreed to subscribe for the 24,134,000 subscription shares each at the subscription price of HK\$58.85 per subscription share for a total consideration of approximately HK\$1,420.29 million. The subscription shares will be issued and allotted pursuant to the specific mandate to be approved by the independent shareholders at the extraordinary general meeting to be convened by the Company. For details of the subscription, please refer to the announcement of the Company dated September 3, 2025.

Report on Review of Condensed Consolidated Financial Statements

Deloitte.

德勤

TO THE BOARD OF DIRECTORS OF WUXI XDC CAYMAN INC.
(incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of WuXi XDC Cayman Inc. (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") set out on pages 56 to 91, which comprise the condensed consolidated statement of financial position as of June 30, 2025 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting" ("**IAS 34**") issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Report on Review of Condensed Consolidated Financial Statements

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

August 18, 2025

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended June 30, 2025

	NOTES	Six months ended June 30, 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue	4	2,700,869	1,665,199
Cost of sales		(1,725,622)	(1,129,868)
Gross profit		975,247	535,331
Other income	5	121,831	136,424
Other gains and losses	6	(13,934)	40,428
Impairment losses recognized, under expected credit loss model, net of reversal		(1,928)	(3,168)
Selling and marketing expenses		(49,022)	(23,927)
Administrative expenses		(107,885)	(75,529)
Research and development expenses		(49,483)	(47,594)
Finance costs	7	(7,676)	(249)
Profit before tax	8	867,150	561,716
Income tax expense	9	(121,449)	(73,488)
Profit for the period		745,701	488,228
Other comprehensive (expense) income <i>Items that will not be reclassified to profit or loss:</i>			
Exchange (loss) gain arising on translation of foreign operations		(5,661)	560
Other comprehensive (expense) income for the period		(5,661)	560
Total comprehensive income for the period		740,040	488,788
		RMB	RMB
Earnings per share			
— Basic	11	0.62	0.41
— Diluted	11	0.57	0.38

Condensed Consolidated Statement of Financial Position

As at June 30, 2025

	NOTES	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)
Non-current Assets			
Property, plant and equipment	12	3,376,518	2,724,526
Investment property		11,804	12,006
Right-of-use assets		16,015	17,271
Goodwill		215,193	215,193
Intangible assets	13	40,643	44,744
Deferred tax assets		10,610	8,742
Other long-term deposits		158	154
		<u>3,670,941</u>	<u>3,022,636</u>
Current Assets			
Inventories	14	182,127	118,699
Trade and other receivables	15	1,965,560	1,800,467
Contract assets	16	90,008	78,653
Contract costs	17	176,092	130,369
Financial assets at fair value through profit or loss ("FVTPL")	18	702,682	433,511
Time deposits	19	2,856,037	1,614,647
Bank balances and cash	19	979,667	1,925,149
		<u>6,952,173</u>	<u>6,101,495</u>
Current Liabilities			
Trade and other payables	20	1,494,904	1,408,876
Contract liabilities		543,696	504,250
Borrowings	21	1,020,000	478,000
Income tax payable		100,008	72,091
Lease liabilities		2,987	3,275
		<u>3,161,595</u>	<u>2,466,492</u>
Net Current Assets		<u>3,790,578</u>	<u>3,635,003</u>
Total Assets less Current Liabilities		<u>7,461,519</u>	<u>6,657,639</u>

Condensed Consolidated Statement of Financial Position

As at June 30, 2025

	NOTES	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)
Non-current Liabilities			
Lease liabilities		15,603	15,150
Deferred income		3,451	3,000
		<u>19,054</u>	<u>18,150</u>
Net Assets		<u>7,442,465</u>	<u>6,639,489</u>
Capital and Reserves			
Share capital	22	392	391
Reserves		<u>7,442,073</u>	<u>6,639,098</u>
Total Equity		<u>7,442,465</u>	<u>6,639,489</u>

The condensed consolidated financial statements on pages 56 to 91 were approved and authorized for issue by the Board of Directors on August 18, 2025 and are signed on its behalf by:

Jincai Li
DIRECTOR

Xiaojie Xi
DIRECTOR

Condensed Consolidated Statement of Changes in Equity

For the six months ended June 30, 2025

	Share capital RMB'000	Share premium RMB'000	Group reorganization reserve RMB'000 (note i)	Other reserve RMB'000 (note ii)	Statutory reserve RMB'000 (note iii)	Equity-settled share-based compensation reserve RMB'000 (note iv)	Foreign currency translation reserve RMB'000	Retained earnings RMB'000	Total RMB'000
At January 1, 2024	390	4,890,264	(53,747)	43,586	47,298	107,094	1,125	418,306	5,454,316
Profit for the period	-	-	-	-	-	-	-	488,228	488,228
Other comprehensive income ("OCI") for the period									
— Exchange differences arising from translation of foreign operations	-	-	-	-	-	-	560	-	560
Total comprehensive income for the period	-	-	-	-	-	-	560	488,228	488,788
Recognition of equity-settled share-based compensation	-	-	-	3,694	-	43,313	-	-	47,007
Exercise of pre-IPO share options	*	1,603	-	-	-	(602)	-	-	1,001
At June 30, 2024 (unaudited)	390	4,891,867	(53,747)	47,280	47,298	149,805	1,685	906,534	5,991,112
At January 1, 2025	391	4,896,755	(53,747)	51,682	102,256	200,433	8,749	1,432,970	6,639,489
Profit for the period	-	-	-	-	-	-	-	745,701	745,701
OCI for the period									
— Exchange differences arising from translation of foreign operations	-	-	-	-	-	-	(5,661)	-	(5,661)
Total comprehensive (expense) income for the period	-	-	-	-	-	-	(5,661)	745,701	740,040
Recognition of equity-settled share-based compensation	-	-	-	(422)	-	57,889	-	-	57,467
Exercise of pre-IPO share options	1	8,406	-	-	-	(2,938)	-	-	5,469
At June 30, 2025 (unaudited)	392	4,905,161	(53,747)	51,260	102,256	255,384	3,088	2,178,671	7,442,465

* Amount below RMB1,000.

Condensed Consolidated Statement of Changes in Equity

For the six months ended June 30, 2025

Notes:

- i. Group reorganization reserve represents the capital contribution in WuXi XDC Co., Ltd. ("**XDC Wuxi**") by the then shareholders before the transfer of XDC Wuxi to the Group, net of consideration paid to the then shareholders; and the administrative service cost borne on behalf of XDC Wuxi by fellow subsidiaries prior to the completion of the group reorganization to rationalize the current group structure.
- ii. The amount represents the equity-settled share-based compensation in respect of share options for shares and restricted shares of WuXi Biologics (Cayman) Inc. ("**Biologics Cayman**"), the ultimate holding company of the Company granted by Biologics Cayman to certain directors and employees of the Group for their service rendered to the Group as set out in Note 25.
- iii. In accordance with the Articles of Association of all subsidiaries established in the People's Republic of China (the "**PRC**"), they are required to transfer 10% of the profit after tax to the statutory reserve until the reserve reaches 50% of their registered capital. Transfer to this reserve must be made before distributing dividends to equity holders. The statutory reserve can be used to make up for previous years' losses, expand the existing operations or convert into additional capital of the subsidiaries.
- iv. The amount represents the equity-settled share-based compensation in respect of share option and restricted shares of Company granted by the Group to certain directors and employees of the Group for their services rendered to the Group as set out in Note 25.

Condensed Consolidated Statement of Cash Flows

For the six months ended June 30, 2025

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
NET CASH FROM (USED IN) OPERATING ACTIVITIES	601,268	(224,661)
INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	166	1,078
Payment for acquisition of property, plant and equipment	(659,627)	(521,845)
Receipt of bank interest	77,496	101,681
Withdrawal of financial assets at FVTPL	936,266	126,194
Placement of financial assets at FVTPL	(1,200,018)	(126,054)
Research and other grants received	500	–
Placement of time deposits	(2,673,365)	–
Withdrawal of time deposits	1,433,860	–
Withdrawal of pledged bank deposits	–	4,400
NET CASH USED IN INVESTING ACTIVITIES	(2,084,722)	(414,546)
FINANCING ACTIVITIES		
New bank borrowings raised	842,000	50,000
Repayments of bank borrowings	(300,000)	–
Interest paid	(7,676)	(249)
Repayments of lease liabilities	(159)	(1,622)
Proceeds from exercise of pre-IPO share options	5,148	818
Payment of transaction costs attributable to issue of shares	–	(2,180)
NET CASH FROM FINANCING ACTIVITIES	539,313	46,767
NET DECREASE IN CASH AND CASH EQUIVALENTS	(944,141)	(592,440)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	1,925,149	4,047,583
Effect of foreign exchange rate changes	(1,341)	21,438
CASH AND CASH EQUIVALENTS AT END OF PERIOD, REPRESENTED BY BANK BALANCES AND CASH	979,667	3,476,581

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

1. GENERAL INFORMATION

WuXi XDC Cayman Inc. (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. 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 Company and its subsidiaries (the "**Group**") are principally engaged in the provision of comprehensive contract research, development and manufacturing organization ("**CRDMO**") services, including discovery, process development and Good Manufacturing Practice manufacturing for bioconjugates, monoclonal antibody intermediates and payload-linkers associated with bioconjugates.

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

2. BASIS OF PREPARATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("**IAS 34**") issued by the International Accounting Standards Board as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended June 30, 2025 are the same as those presented in the Group's annual consolidated financial statements for the year ended December 31, 2024.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

3. PRINCIPAL ACCOUNTING POLICIES (Continued)

Application of amendment to IFRS Accounting Standards

In the current interim period, the Group has applied the following amendment to IFRS Accounting Standards as issued by the IASB, for the first time, which are mandatorily effective for the Group's annual period beginning on January 1, 2025 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IAS 21

Lack of Exchangeability

The application of the amendment to IFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

4. REVENUE FROM CONTRACTS WITH CUSTOMERS

(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:

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Type of services and timing of revenue recognition		
CRDMO services		
— A point in time	2,552,357	1,559,776
— Over time	148,512	105,423
Total	2,700,869	1,665,199

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

4. REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

(i) Disaggregation of revenue from contracts with customers (Continued)

For the purpose of resources allocation and performance assessment, the chief operating decision maker (i.e. the chief executive officer of the Company) reviews the overall results and financial position of the Group as a whole. Accordingly, the Group has only one single operating and reportable segment and no further analysis of this single segment is presented.

(ii) Entity-wide disclosure

Geographical information

An analysis of the Group's revenue from customers, analyzed by their respective country/region of operation, is detailed below:

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue		
— North America	1,376,197	789,799
— Europe	601,968	294,592
— the PRC	504,617	487,933
— Rest of the world	218,087	92,875
	<u>2,700,869</u>	<u>1,665,199</u>

As at June 30, 2025, other than financial instruments and deferred tax assets, the Group had non-current assets of RMB1,533,397,000 (December 31, 2024: RMB1,043,373,000) located in Singapore. The remaining non-current assets of RMB2,126,776,000 (December 31, 2024: RMB1,970,367,000) are located in the PRC.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

5. OTHER INCOME

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Interest income from banks (<i>note i</i>)	75,499	101,681
Research and other grants related to:		
— income (<i>note ii</i>)	33,803	31,021
— assets (<i>note iii</i>)	49	—
Sales of materials to related parties	12,021	3,263
Rental income	459	459
	<u>121,831</u>	<u>136,424</u>

Notes:

- (i) It represents interest income derived from bank balances, short-term bank deposits and time deposits. Further details are disclosed in Note 19.
- (ii) Income from research and other grants of the Group during the current interim period 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) The Group received certain research and other grants for investing in laboratory equipment. The grants were recognized in profit or loss over the useful lives of the relevant assets.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

6. OTHER GAINS AND LOSSES

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Net foreign exchange (losses) gains	(14,563)	39,487
Fair value gain on wealth management products	22,214	1,071
Losses on disposal of property, plant and equipment	(22,271)	(530)
Others	686	400
	<u>(13,934)</u>	<u>40,428</u>

7. FINANCE COSTS

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Interest expense on:		
— Lease liabilities	326	223
— Bank borrowings	7,350	26
	<u>7,676</u>	<u>249</u>

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

8. PROFIT BEFORE TAX

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

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Depreciation of property, plant and equipment	64,882	45,829
Depreciation for investment property	202	202
Depreciation of right-of-use assets	1,256	826
Amortization of intangible assets	4,101	4,101
	<u>70,441</u>	<u>50,958</u>
Staff cost (including directors' emoluments):		
— Salaries and other benefits	364,736	184,866
— Retirement benefit scheme contributions	34,512	21,344
— Share-based payment expenses	57,467	47,007
	<u>456,715</u>	<u>253,217</u>
Depreciation, amortization and staff cost		
Less: capitalized in contract cost and property, plant and equipment	<u>(51,431)</u>	<u>(44,123)</u>
	<u>475,725</u>	<u>260,052</u>
Gross rental income from investment properties	459	459
Less: direct expenses incurred that generated rental income during the period	<u>(202)</u>	<u>(202)</u>
	<u>257</u>	<u>257</u>
Impairment losses under expected credit loss model, net of reversal		
— Trade receivables	1,936	2,984
— Contract assets	(8)	184
	<u>1,928</u>	<u>3,168</u>
Auditors' remuneration		
— Auditor of the Company	1,689	1,775
— Auditor of subsidiaries of the Company	352	280
Write-down of inventories (included in cost of sales)	11,634	4,853
Reversals of inventories write-down (included in cost of sales)	<u>(3,406)</u>	<u>(885)</u>
Write-down of contract costs (included in cost of sales)	7,327	3,023
Reversals of contract costs write-down (included in cost of sales)	<u>(9,226)</u>	<u>(193)</u>
Cost of inventories recognized as an expense	<u>270,354</u>	<u>137,392</u>

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

9. INCOME TAX EXPENSE

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Current tax:		
— the PRC Enterprise Income Tax ("EIT")	112,179	58,738
— Hong Kong Profits Tax	17,531	12,070
— Other jurisdictions	178	1,912
(Over) Under provision in prior years	(6,571)	1,178
	<u>123,317</u>	<u>73,898</u>
Deferred tax:		
— Current period	(1,868)	(410)
	<u>121,449</u>	<u>73,488</u>

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the EIT rate of the PRC subsidiaries is 25%. During the current interim period, all of the subsidiaries (six months ended June 30, 2024: all subsidiaries) of the Group operating in the PRC enjoy preferential tax rate at 15% under certain tax incentive policies.

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

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

10. DIVIDENDS

No dividends were paid, declared or proposed during the current interim period. The directors of the Company have determined that no dividend will be paid in respect of the interim period.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

11. EARNINGS PER SHARE

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

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Earnings attributable to owners of the Company		
Earnings for the purpose of calculating basic and diluted earnings per share	<u>745,701</u>	<u>488,228</u>
	Six months ended June 30,	
	2025 (Unaudited)	2024 (Unaudited)
Number of Shares		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	1,201,882,061	1,197,719,298
Effect of dilutive potential ordinary shares:		
Restricted shares	2,793,817	–
Share options	<u>101,338,330</u>	<u>88,151,872</u>
	<u>104,132,147</u>	<u>88,151,872</u>
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	<u>1,306,014,208</u>	<u>1,285,871,170</u>

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

12. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

During the current interim period, the Group acquired RMB756,961,000 (six months ended June 30, 2024: RMB551,289,000) of property, plant and equipment mainly for the expansion of production facilities.

13. INTANGIBLE ASSETS

	As at	
	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)
Carrying amount:		
Customer relationship	35,143	38,244
License	5,500	6,500
	<u>40,643</u>	<u>44,744</u>

14. INVENTORIES

	As at	
	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)
Raw material and consumables	<u>182,127</u>	<u>118,699</u>

Raw materials and consumables are net of a write-down of approximately RMB22,890,000 as at June 30, 2025 (December 31, 2024: RMB14,662,000).

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

15. TRADE AND OTHER RECEIVABLES

	As at	
	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)
Trade receivables		
— related parties	27,794	46,594
Less: allowance for credit losses	(483)	(474)
— third parties	1,731,941	1,563,500
Less: allowance for credit losses	(38,276)	(36,349)
	<u>1,720,976</u>	<u>1,573,271</u>
Advances to suppliers		
— third parties	<u>2,427</u>	<u>2,387</u>
Other receivables		
— related parties	5,451	16,073
— third parties	<u>21,577</u>	<u>17,717</u>
	<u>27,028</u>	<u>33,790</u>
Prepayments		
— third parties	2,686	1,860
Value added tax recoverable	<u>212,443</u>	<u>189,159</u>
Total trade and other receivables	<u><u>1,965,560</u></u>	<u><u>1,800,467</u></u>

Details of the trade and other receivables due from related parties are set out in Note 24(b).

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

15. TRADE AND OTHER RECEIVABLES (Continued)

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

	As at	
	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)
Not past due	1,151,529	1,123,852
Overdue:		
— Within 90 days	435,688	298,515
— 91 days to 1 year	110,841	123,691
— Over 1 year	22,918	27,213
	<u>1,720,976</u>	<u>1,573,271</u>

16. CONTRACT ASSETS

	As at	
	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)
Contract assets		
— related parties	—	7,250
Less: allowance for credit losses	—	(211)
— third parties	90,928	72,330
Less: allowance for credit losses	(920)	(716)
	<u>90,008</u>	<u>78,653</u>

The contract assets are primarily related to the Group's right to consideration for work completed and not billed because the rights are conditioned on the Group's future performance in achieving specified milestones as stipulated in the contracts. The contract assets are transferred to trade receivables when the rights become unconditional.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

17. CONTRACT COSTS

	As at	
	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)
Costs to fulfil contracts	<u>176,092</u>	<u>130,369</u>

The contract costs are net of a write-down of approximately RMB7,662,000 as at June 30, 2025 (December 31, 2024: RMB9,561,000).

18. FINANCIAL ASSETS AT FVTPL

	As at	
	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)
Current asset		
Wealth management products (<i>note</i>)	<u>702,682</u>	<u>433,511</u>

Note: During the current interim period, the Group invested in several contracts of wealth management products with banks. The original maturity terms of these contracts range from 6 to 24 months. The returns from these wealth management products are determined by reference to the performance of the underlying instruments in the currency market, the interbank market and the derivative financial assets; those are measured separately and recognized as financial assets at FVTPL.

Details of the fair value measurement are set out in Note 23.

19. BANK BALANCES AND CASH/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 bank balances and short-term bank deposits carried interest at market rates which ranged from nil to 4.58% per annum as at June 30, 2025 (December 31, 2024: from nil to 4.50% per annum).

Time deposits as at June 30, 2025 is carried at fixed interest rate which ranged from 4.30% to 5.76% per annum and have original maturity over three months but less than one year (December 31, 2024: from 5.30% to 5.76% per annum).

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

20. TRADE AND OTHER PAYABLES

	As at	
	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)
Trade payables		
— related parties	930,140	919,443
— third parties	162,001	100,582
	<u>1,092,141</u>	<u>1,020,025</u>
Other payables and accruals		
— related parties	76,196	107,506
— third parties	39,945	34,738
	<u>116,141</u>	<u>142,244</u>
Payable for purchase of property, plant and equipment		
— related parties	1,932	3,327
— third parties	221,602	136,582
Salary and bonus payables	57,384	102,018
Other taxes payables	5,704	4,680
	<u>286,622</u>	<u>246,607</u>
Trade and other payables	<u>1,494,904</u>	<u>1,408,876</u>

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

20. TRADE AND OTHER PAYABLES (Continued)

Details of the trade and other payables due to related parties are set out in Note 24(b).

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

	As at	
	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)
Within 90 days	1,071,371	998,994
91 days to 1 year	9,326	20,503
Over 1 year but within 5 years	11,444	528
	<u>1,092,141</u>	<u>1,020,025</u>

21. BORROWINGS

	As at	
	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)
Unsecured bank loans	<u>1,020,000</u>	<u>478,000</u>
The carrying amounts of the above borrowings are repayable:		
Within one year	<u>1,020,000</u>	<u>478,000</u>

The amounts due are based on scheduled repayment dates set out in the loan agreements.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

21. BORROWINGS (Continued)

The exposure of the Group's bank borrowings are as follows:

	As at	
	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)
Fixed-rate borrowings	910,000	458,000
Variable-rate borrowings	110,000	20,000
	<u>1,020,000</u>	<u>478,000</u>

The Group's variable-rate borrowings carries interest at 1-year Loan Prime Rate ("LPR") minus 0.70% to 0.90%.

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's borrowings are as follows:

	As at	
	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)
Effective interest rate:		
Fixed-rate borrowings	1.36% to 2.50%	1.36% to 2.50%
Variable-rate borrowings	<u>2.11% to 2.40%</u>	<u>2.40%</u>

All the Group's borrowings are denominated at RMB.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

22. SHARE CAPITAL

AUTHORIZED:

	Number of shares	Par value US\$	Authorized share capital US\$
At January 1, 2025 (audited) and June 30, 2025 (unaudited)	<u>10,000,000,000</u>	<u>0.00005</u>	<u>500,000</u>

ISSUED AND FULLY PAID:

	Number of shares	Par value US\$	Share capital US\$	RMB'000 equivalent
At January 1, 2024 (audited)	1,197,604,500	0.00005	59,880	390
Exercise of pre-IPO share options	<u>610,956</u>	<u>0.00005</u>	<u>31</u>	<u>*</u>
At June 30, 2024 (unaudited)	<u>1,198,215,456</u>	<u>0.00005</u>	<u>59,911</u>	<u>390</u>
At January 1, 2025 (audited)	1,200,013,419	0.00005	60,000	391
Exercise of pre-IPO share options	<u>3,029,771</u>	<u>0.00005</u>	<u>151</u>	<u>1</u>
At June 30, 2025 (unaudited)	<u>1,203,043,190</u>	<u>0.00005</u>	<u>60,151</u>	<u>392</u>

* Amount below RMB1,000.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

23. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value measurements and valuation process

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorized (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are based on quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Financial assets	Fair value as at	Fair value hierarchy	Valuation technique and key inputs	Significant unobservable inputs
	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)		
Financial assets at FVTPL	Wealth management products: RMB702,682,000	Wealth management products: RMB433,511,000	Level 2 Discounted cash flows method, estimated based on expected return and market foreign exchange rate	N/A

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

23. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)

The management of the Group considers the carrying amounts of financial assets and financial liabilities recorded at amortized cost in the condensed consolidated financial statements approximate their fair value.

The fair values of these financial assets and financial liabilities at amortized cost are determined in accordance with generally accepted pricing models based on discounted cash flow analysis with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

24. RELATED PARTY DISCLOSURES

- (i) The related parties and the relationship with the Group are as follows:

WuXi Biologics group represents Biologics Cayman and its subsidiaries excluding the Group.

WuXi AppTec group represents WuXi AppTec Co., Ltd. and its subsidiaries. WuXi AppTec Group is ultimately controlled by certain substantial shareholders of the Group's ultimate holding company.

Shanghai Duoning Biotechnology Co., Ltd. ("**Duoning**") is an associate of WuXi Biologics Cayman. Duoning and its subsidiaries collectively referred to as "Duoning Group".

- (ii) The Group had the following significant transactions and balances with related parties during the current interim period:

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

24. RELATED PARTY DISCLOSURES (Continued)

(a) Related party transactions:

Provision of antibody drug conjugates discovery, research & development and manufacturing services (included in revenue)

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
WuXi Biologics group	24,161	53,770
WuXi AppTec group	194	3,939
	<u>24,355</u>	<u>57,709</u>

Provision of other services to related parties (included in revenue)

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
WuXi Biologics group	<u>4,512</u>	<u>–</u>

Sales of materials to related parties (included in other income)

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
WuXi Biologics group	<u>12,021</u>	<u>3,263</u>

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

24. RELATED PARTY DISCLOSURES (Continued)

(a) Related party transactions: (Continued)

Sales of property, plant and equipment to related parties

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
WuXi Biologics group	19	714

Lease income to related parties (included in other income)

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
WuXi Biologics group	459	459

Antibodies master services received (included in cost of sales)

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
WuXi Biologics group	1,010,788	710,653
WuXi AppTec group	32,161	45,549
	<u>1,042,949</u>	<u>756,202</u>

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

24. RELATED PARTY DISCLOSURES (Continued)

(a) Related party transactions: (Continued)

Other services received (included in cost of sales and administrative expenses)

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
WuXi Biologics group	33,867	28,953
WuXi AppTec group	9,329	10,834
Duoning group	115	37
	<u>43,311</u>	<u>39,824</u>

Purchase of materials (included in cost of sales)

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
WuXi Biologics group	17,687	37,732
WuXi AppTec group	14,995	18,589
Duoning group	12,768	11,440
	<u>45,450</u>	<u>67,761</u>

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

24. RELATED PARTY DISCLOSURES (Continued)

(a) Related party transactions: (Continued)

Purchase of property, plant and equipment

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
WuXi Biologics group	744	2,763
WuXi AppTec group	1,592	–
Duoning group	2,026	2,441
	<u>4,362</u>	<u>5,204</u>

Expense relating to leases

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
WuXi AppTec group	<u>33</u>	<u>1,137</u>

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

24. RELATED PARTY DISCLOSURES (Continued)

(b) Related party balances:

	As at	
	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)
Amounts due from related parties		
Trade related:		
Included in trade receivables:		
WuXi Biologics group	16,164	42,814
WuXi AppTec group	11,630	3,780
Less: allowance for credit losses	(483)	(474)
	<u>27,311</u>	<u>46,120</u>
Included in other receivables:		
WuXi Biologics group	<u>5,451</u>	<u>14,163</u>
Non-trade related:		
Included in other receivables:		
WuXi AppTec group	<u>–</u>	<u>1,910</u>
	<u>5,451</u>	<u>16,073</u>

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

24. RELATED PARTY DISCLOSURES (Continued)

(b) Related party balances (Continued)

	As at	
	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)
Contract assets		
WuXi AppTec group	–	7,250
Less: Allowance for credit losses	–	(211)
	<u>–</u>	<u>7,039</u>
Amounts due to related parties		
Trade related:		
Included in trade payables:		
WuXi Biologics group	878,134	846,191
WuXi AppTec group	44,115	66,532
Duoning group	7,891	6,720
	<u>930,140</u>	<u>919,443</u>
Included in other payables:		
WuXi Biologics group	76,196	104,709
WuXi AppTec group	–	2,797
	<u>76,196</u>	<u>107,506</u>
Non-trade related:		
Included in payable for purchase of property, plant and equipment:		
Duoning group	<u>1,932</u>	<u>3,327</u>

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

24. RELATED PARTY DISCLOSURES (Continued)

(c) Compensation of directors and key management personnel:

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Directors' fee	1,661	1,634
Salaries and other benefits	3,618	5,991
Performance-based bonus	2,023	2,197
Retirement benefits scheme contributions	8	8
Share-based compensation	13,269	14,470
	<u>20,579</u>	<u>24,300</u>

The remuneration of key management is determined with reference to the performance of the individuals and market trends.

25. SHARE-BASED COMPENSATION

Equity instruments granted by Biologics Cayman to employees of the Group

Pursuant to the WXB Restricted Share Award Scheme and WXB Global Partner Program Share Scheme, certain directors of the Company and employees of the Group were issued shares of Biologics Cayman.

(a) WXB Restricted Share Award Scheme

On January 15, 2018, Biologics Cayman adopted the WXB Restricted Share Award Scheme for certain employees of the Group of Biologics Cayman and directors of Biologics Cayman.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

25. SHARE-BASED COMPENSATION (Continued)

Equity instruments granted by Biologics Cayman to employees of the Group (Continued)

(a) *WXB Restricted Share Award Scheme (Continued)*

During the year ended December 31, 2022, certain employees of Biologics Cayman were offered, and agreed to join the Company's 2021 Pre-IPO Share Option Scheme. Upon participating in the Company's Pre-IPO Share Option Scheme, share options under the Pre-IPO Share Option Scheme were granted to the employees while the outstanding restricted shares granted under the WXB Restricted Share Award Scheme held by the respective employees were cancelled in the same time accordingly. The directors of Biologics Cayman considered that most of the cancelled restricted shares under the WXB Restricted Share Award Scheme were replaced by the share options granted under the Company's 2021 Pre-IPO Share Option Scheme, which was accounted for as a modification of the original equity instruments with no incremental fair value granted, therefore, such outstanding restricted shares would continue to be measured at the original grant-date fair value and the corresponding share-based compensation expense would be recognized in profit or loss over the original vesting periods. The remaining cancelled restricted shares were deemed to be accounted for as an acceleration of vesting, and the Group recognized immediately the amount that otherwise would have been recognized for services received over the remainder of the vesting period.

The Group recognized total income of approximately RMB239,000 for the six months ended June 30, 2025 (six months ended June 30, 2024: expense of RMB3,428,000) in relation to restricted shares granted by Biologics Cayman under the WXB Restricted Share Award Scheme.

(b) *WXB Global Partner Program Share Scheme*

On June 16, 2021, Biologics Cayman adopted a global partner program share scheme to further reward and incentivize the Group of Biologics Cayman's top employees and attract key talents.

The Group recognized total income of approximately RMB183,000 for the six months ended June 30, 2025 (six months ended June 30, 2024: expense of RMB266,000) in relation to restricted shares granted by Biologics Cayman under the WXB Global Partner Program Share Scheme.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

25. SHARE-BASED COMPENSATION (Continued)

Equity instruments granted by the Company to employees of the Group

(a) 2021 Pre-IPO Share Option Scheme

On November 23, 2021, the Company adopted the 2021 Pre-IPO Share Option Scheme for the primary purpose to enable the Company to grant share options to eligible employees.

Set out below are details of the movements of the outstanding share options granted under the 2021 Pre-IPO Share Option Scheme during the six months ended June 30, 2025:

Batch	Outstanding as at January 1, 2025	Granted	Exercised	Forfeited	Outstanding as at June 30, 2025
Employee					
April 1, 2022	16,528,274	-	1,340,867	-	15,187,407
August 18, 2022	7,544,477	-	274,179	-	7,270,298
January 6, 2023	17,335,931	-	1,399,725	67,392	15,868,814
Director					
June 10, 2022	32,160,000	-	-	-	32,160,000
	73,568,682	-	3,014,771	67,392	70,486,519
Exercisable at the end of the period	9,319,415				21,423,142
Weighted average exercise price (RMB)	1.7272	-	1.7730	1.8680	1.7251

The Group recognized total expense of approximately RMB11,792,000 for the six months ended June 30, 2025 (six months ended June 30, 2024: RMB16,457,000) in relation to options granted by the Company under the 2021 Pre-IPO Share Option Scheme.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

25. SHARE-BASED COMPENSATION (Continued)

Equity instruments granted by the Company to employees of the Group (Continued)

(b) 2023 Pre-IPO Share Option Scheme

On March 22, 2023 the Company adopted the 2023 Pre-IPO Share Option Scheme to the Group's eligible employees.

Set out below are details of the movements of the outstanding share options granted under the 2023 Pre-IPO Share Option Scheme during the six months ended June 30, 2025:

Batch	Outstanding as at January 1, 2025	Granted	Exercised	Forfeited	Outstanding as at June 30, 2025
Employee					
July 6, 2023	19,686,014	-	-	-	19,686,014
August 24, 2023	4,125,166	-	15,000	2,252	4,107,914
October 30, 2023	1,687,916	-	-	-	1,687,916
Director					
July 6, 2023	13,254,016	-	-	-	13,254,016
August 24, 2023	295,840	-	-	-	295,840
	<u>39,048,952</u>	<u>-</u>	<u>15,000</u>	<u>2,252</u>	<u>39,031,700</u>
Exercisable at the end of the period	<u>-</u>				<u>-</u>
Weighted average exercise price (RMB)	<u>4.8755</u>	<u>-</u>	<u>6.9000</u>	<u>6.9000</u>	<u>4.8746</u>

The Group recognized total expense of approximately RMB23,129,000 for the six months ended June 30, 2025 (six months ended June 30, 2024: RMB26,856,000) in relation to options granted by the Company under the 2023 Pre-IPO Share Option Scheme.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

25. SHARE-BASED COMPENSATION (Continued)

Equity instruments granted by the Company to employees of the Group (Continued)

(c) 2024 Restricted Share Award Scheme

On June 12, 2024, the Company adopted the Restricted Share Award Scheme for its employees.

Set out below are details of the movements of the restricted shares granted under the 2024 Restricted Share Award Scheme for the six months ended June 30, 2025:

Batch	Fair value	Outstanding as at January 1, 2025	Granted	Exercised	Forfeited	Outstanding as at June 30, 2025
Employee						
July 12, 2024	14.78	3,864,879	-	-	-	3,864,879
September 30, 2024	21.06	290,000	-	-	-	290,000
April 14, 2025	32.86	-	4,881,764	-	23,861	4,857,903
Director						
July 12, 2024	14.78	481,232	-	-	-	481,232
April 14, 2025	32.86	-	505,971	-	-	505,971
		<u>4,636,111</u>	<u>5,387,735</u>	<u>-</u>	<u>23,861</u>	<u>9,999,985</u>
Exercisable at the end of the period		<u>-</u>				<u>-</u>
Weighted average fair value per share (RMB)		<u>15.1716</u>	<u>32.8578</u>	<u>-</u>	<u>32.8578</u>	<u>24.6583</u>

The Group recognized total expense of approximately RMB22,968,000 for the six months ended June 30, 2025 (six months ended June 30, 2024: nil) in relation to restricted shares granted by the Company under the 2024 Restricted Share Award Scheme.

Notes to the Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

26. CAPITAL COMMITMENTS

The Group had capital commitments for equipment purchase and building construction, under non-cancellable contracts as follows:

	As at	
	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)
Contracted but not provided for — Property, plant and equipment	<u>635,796</u>	<u>654,154</u>

Definitions

"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
"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
"Articles of Association"	the second amended and restated articles of association, conditionally approved and adopted by the Company on October 30, 2023 effective on the Listing Date, and as amended from time to time
"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 report, 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

Definitions

"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
"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
"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

Definitions

"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

"Linker"

a chemical group that covalently attaches the payload to the biomolecule in a bioconjugate, servicing as a flexible tether between the two components

"Listing Date"

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

Definitions

"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
"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 six-month period from January 1, 2025 to June 30, 2025
"RMB"	Renminbi, the lawful currency of the PRC
"R&D"	research and development
"SFO"	the Securities and Futures Ordinance Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
"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

Definitions

"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 report, 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.

* *For identification purposes only*