



Linking innovation to health

WuXi XDC 2023 Annual Results

26 March, 2024

Forward-Looking Statements

This presentation may contain certain “forward-looking statements” which are not historical facts, but instead are predictions about future events based on our beliefs as well as assumptions made by and information currently available to our management. Although we believe that our predictions are reasonable, future events are inherently uncertain and our forward-looking statements may turn out to be incorrect. Our forward-looking statements are subject to risks relating to, among other things, the ability of our service offerings to compete effectively, our ability to meet timelines for the expansion of our service offerings, and our ability to protect our clients’ intellectual property. Our forward-looking statements in this presentation speak only as of the date on which they are made, and we assume no obligation to update any forward-looking statements except as required by applicable law or listing rules. Accordingly, you are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. All forward-looking statements contained herein are qualified by reference to the cautionary statements set forth in this section.

Use of Adjusted Financial Measures (Non-IFRS Measures)

We have provided adjusted net profit, adjusted net profit margin, adjusted EBITDA, adjusted EBITDA margin and adjusted diluted earnings per share for the corresponding periods, which excludes the share-based compensation expenses, listing expenses, gains or losses from equity investments and foreign exchange gains or losses, and are not required by, or presented in accordance with, IFRS. We believe that the adjusted financial measures used in this presentation are useful for understanding and assessing underlying business performance and operating trends, and we believe that management and investors may benefit from referring to these adjusted financial measures in assessing our financial performance by eliminating the impact of certain unusual and non-recurring items that we do not consider indicative of the performance of our business. However, the presentation of these non-IFRS financial measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with IFRS. You should not view adjusted results on a stand-alone basis or as a substitute for results under IFRS, or as being comparable to results reported or forecasted by other companies.

CONTENTS

01 2023 Annual Results Key Takeaways **Dr. Jimmy (Jincai) LI, CEO**

02 Financial Performance **Mr. Michael (Xiaojie) XI, CFO**

03 Q&A **All**



01 2023 Annual Results Key Takeaways

Dr. Jimmy (Jincai) LI, CEO

WuXi XDC: Global Leading Integrated CRDMO Dedicated to ADC and Broader Bioconjugates Market



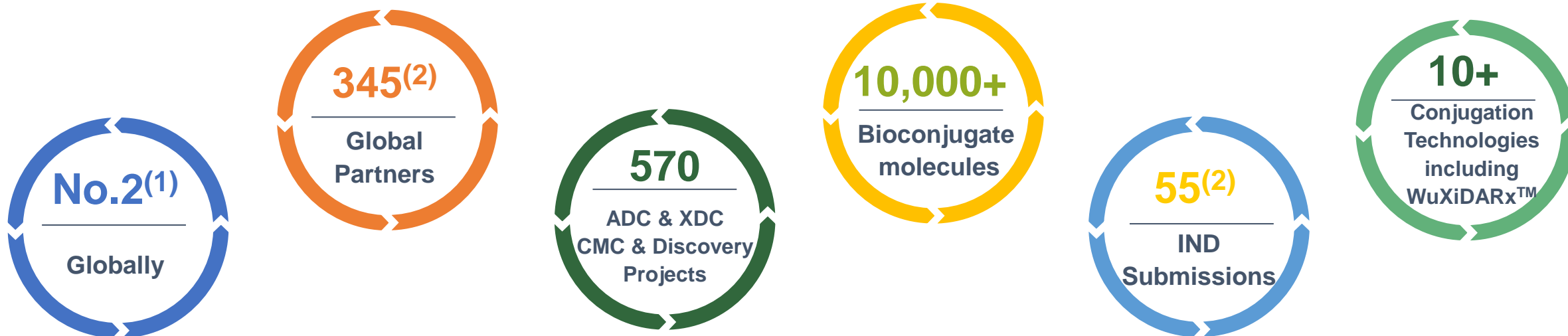
Our Vision: “Linking innovation to health” in the global ADC (antibody drug conjugate) and XDC (other novel bioconjugate) industry

Foundation & Listing:

- Established in May 2021
- Listed on Hong Kong Stock Exchange in Nov 2023 (2268.HK)

Business Strategy: Enable, follow and win the molecule

Global GMP-Compliant Manufacturing: Shanghai, Changzhou, Wuxi, Singapore

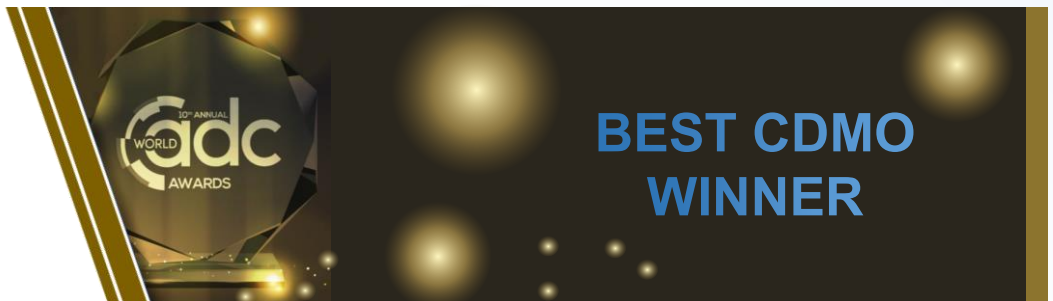


Note:

1. In terms of 2022 revenue
2. Cumulative number since our inception and as of Dec 31, 2023;

Best CDMO Prize at the 2023 World ADC Awards

WuXi XDC
Named the Winner of the
“Best CDMO”
at the 2023 World ADC Awards



“Best IPO” of Year 2023



- The largest healthcare IPO in the past two years
- Listed on Hong Kong Main board, raising **US\$520mn** in total (post-shoe)
- Institutional investors **~20x** over subscribed and retail investors **~50x** times covered
- High-quality int’l cornerstone investors’ subscriptions account for **~58%** of the base offering (post-shoe)

Inclusion into the Hong Kong - Stock Connect

On Mar 4 2024, since its Listing on Nov 17 2023

01

Project Portfolio and Customers

- 143** iCMC projects
- 50** New integrated projects signed
- 21** Phase II, III projects
- 5** PPQ projects
- 345** Global customers accumulatively

02

Capabilities and Capacities

- **All-in-One manufacturing facilities** operational in the **Wuxi city site**, including mAb intermediates, payload-linker, bioconjugation DS and DP
- **Singapore facilities construction** ground breaking

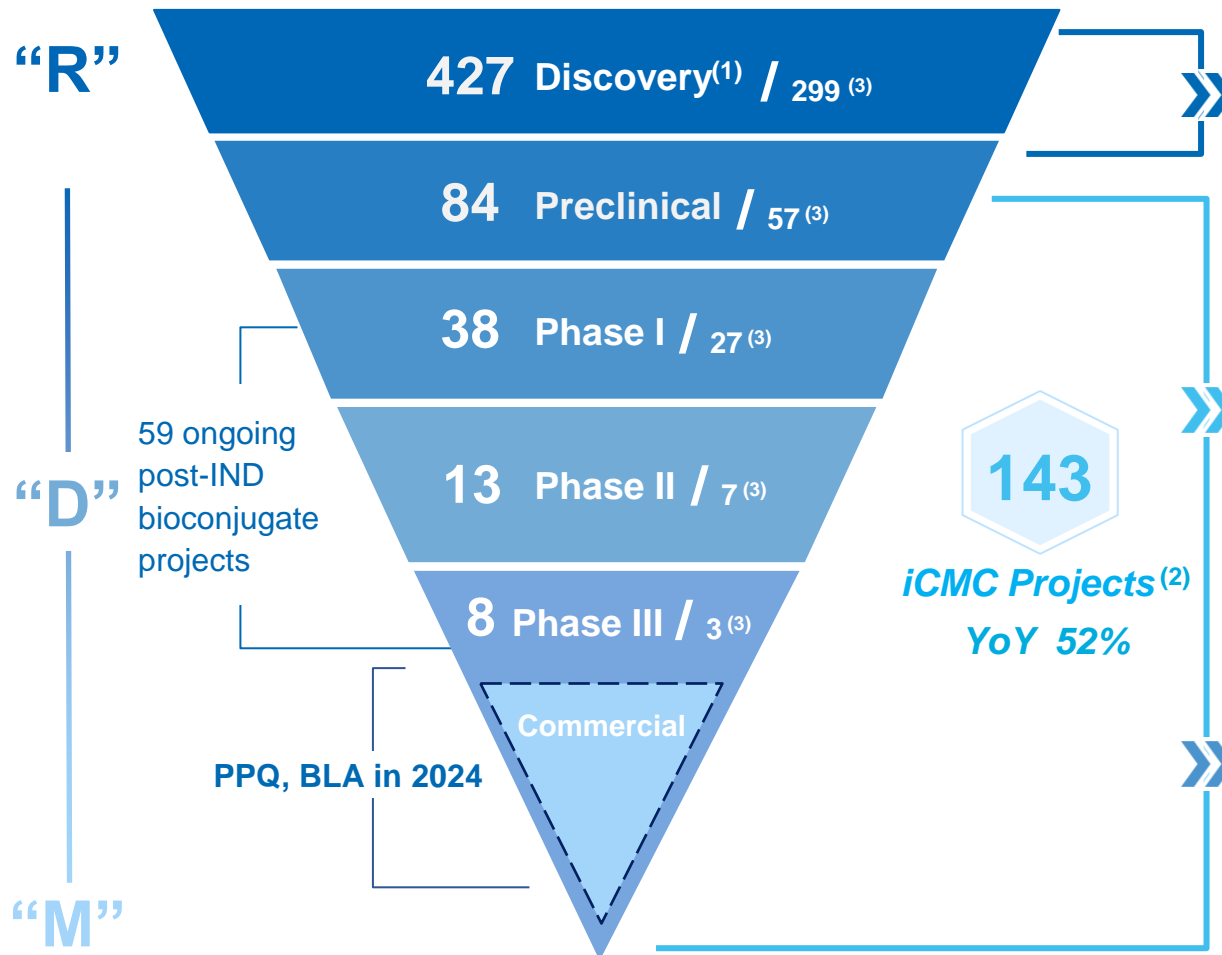
03

Significant Financial Growth

- **Revenue:**
2,124 Mn RMB,
114% YoY growth
- **Adj. Net Profit:**
412 Mn RMB,
112% YoY growth

Powerful Platform and Business Model to Secure Project Wins and Fuel The Growth

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



"Research": Enable discovery to PCC

36 projects advanced from discovery to iCMC stage⁽¹⁾

"Development": Fastest route to IND

Capacity to support 40 INDs each year

Seamless transition between early & late stage PD

50 new integrated projects signed in 2023

21 phase II & Phase III projects

"Manufacturing": Commercialization

5 PPQ projects with more potential BLA submissions

Notes:

1. Cumulative number since our inception and as of Dec 31, 2023;

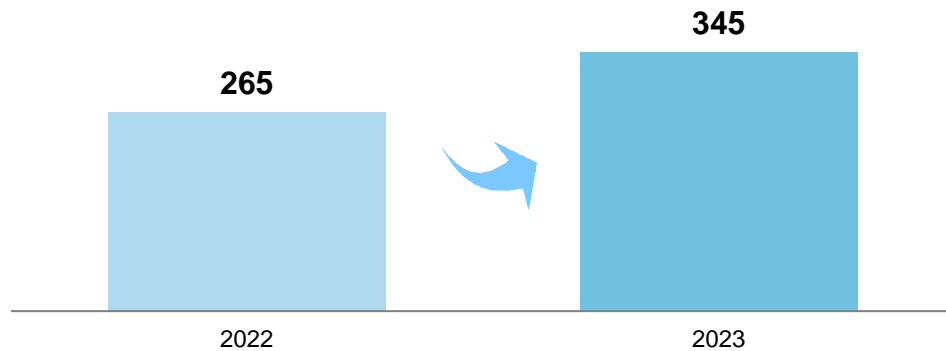
2. Number of ongoing integrated CMC projects, as of Dec 31, 2023;

3. The small-sized figures account for the number of projects as at December 31, 2022, save for the number of projects at discovery stage which is cumulative from the Group's inception up until December 31, 2022

Our High-Quality Customer Portfolios Including Global Pharma Companies & Innovative Biotechs

A Fast-Growing Customer Base...

Cumulative



...With Significant Presence of "Top 10 Global Pharma Companies" (1)



Partnered with WuXi XDC⁽²⁾



Composing 24% of 2023 total revenue

Ranging from Global Pharma Companies to Biotechs

Global Pharma



Innovative Biotechs



Source: Global data, company data

Note:

1. Top 10 global pharma is ranked by market capitalization at the end of 2023 2. Partnership with WuXi XDC through itself or its acquired company.

Our Vastly Experienced and Leading Technology Platform: Unmatched Diverse Solutions From 10,000+ Molecules

Experience

10,000+
Bioconjugate molecules

1,200+
Payload-linkers⁽¹⁾

800+
Protein carriers

Diversified Projects ..

ADC Ongoing Projects

322 | **129**
discovery projects | *integrated projects*

XDC Ongoing Projects

105 | **14**
discovery projects | *integrated projects*



.. With Various Targets and Payload-linker Technology

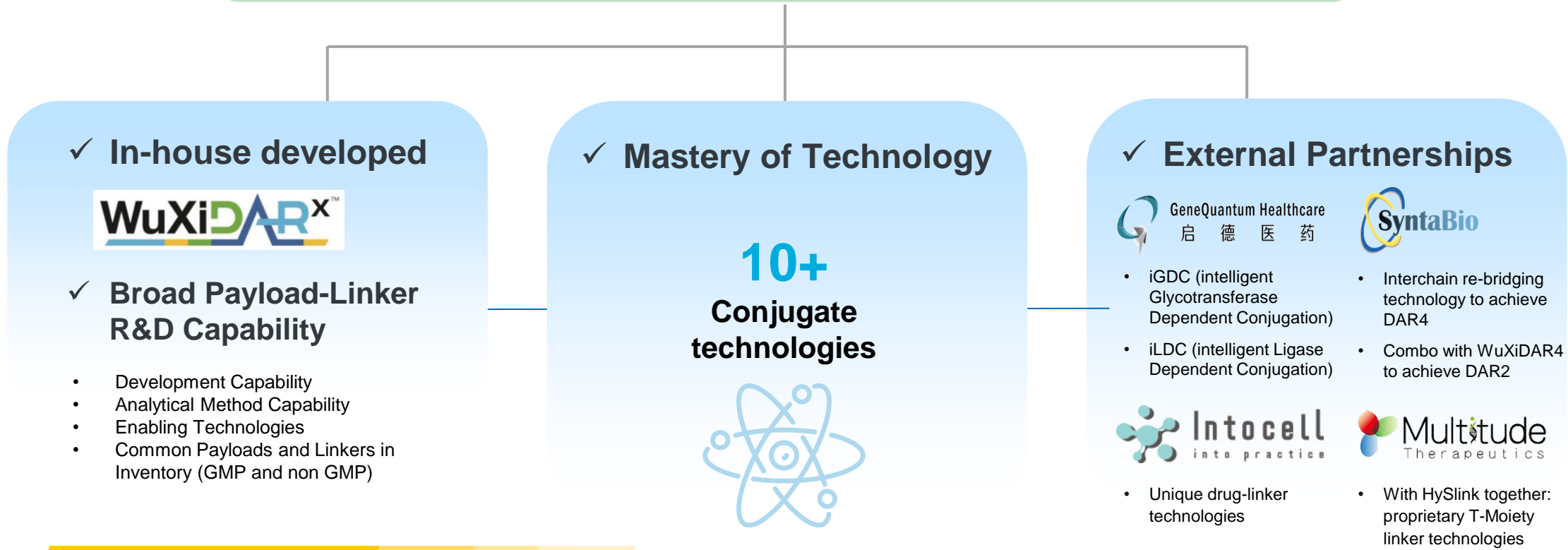
Diversified Targets

- ✓ HER3
- ✓ CLDN6
- ✓ ROR2
- ✓ Nectin-4
- ✓ FOLR1
- ✓ CDH6
- ✓ CLDN18.2
- ✓ ROR1
- ✓ CD30
- ✓ B7-H3
- ✓ EGFR
- ✓ CD70

Payload & Linker

- ✓ IND DMF files for common payloads: vcMMAE, MCMMAF, MMAE, Exatecan mesylate etc.
- ✓ IND DMF filing for DM1 under submission
- ✓ Commercial DMF for vcMMAE

Conjugation and Payload-linker Technologies on WuXi XDC Platform

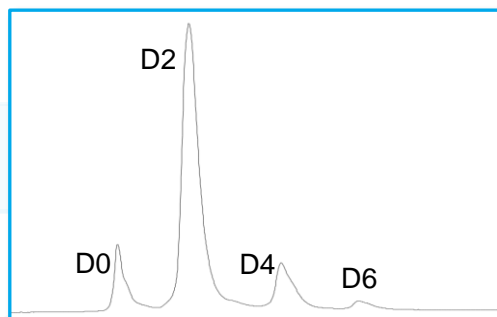


Provide clients the optimal conjugations and payload-linkers technologies offerings with R&D efficiency

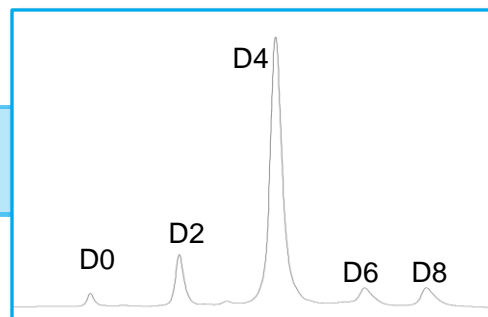
Continuously Enhancing Our WuXiDARx Technology

- Interchain cysteine conjugation are the most clinically validated conjugation sites (9 out of 15 approved ADCs used these sites).
- To better utilize these conjugation sites, we introduce WuXiDARx which has the following advantages:

WuXiDAR²

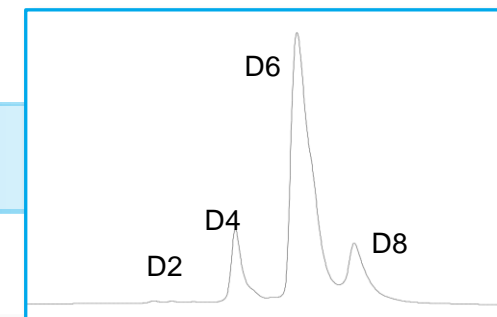


WuXiDAR⁴



6 molecules in clinical phase

WuXiDAR⁶



Flexible DAR

- WuXiDAR2
- WuXiDAR4
- WuXiDAR6

Highly homogenous ADC

- $\geq 65\%$ or $\geq 95\%$ of a single conjugated species (D2, D4, or D6) can be achieved without and with column purification

Compatibility with native mAb

- No engineering modification needed for proteins

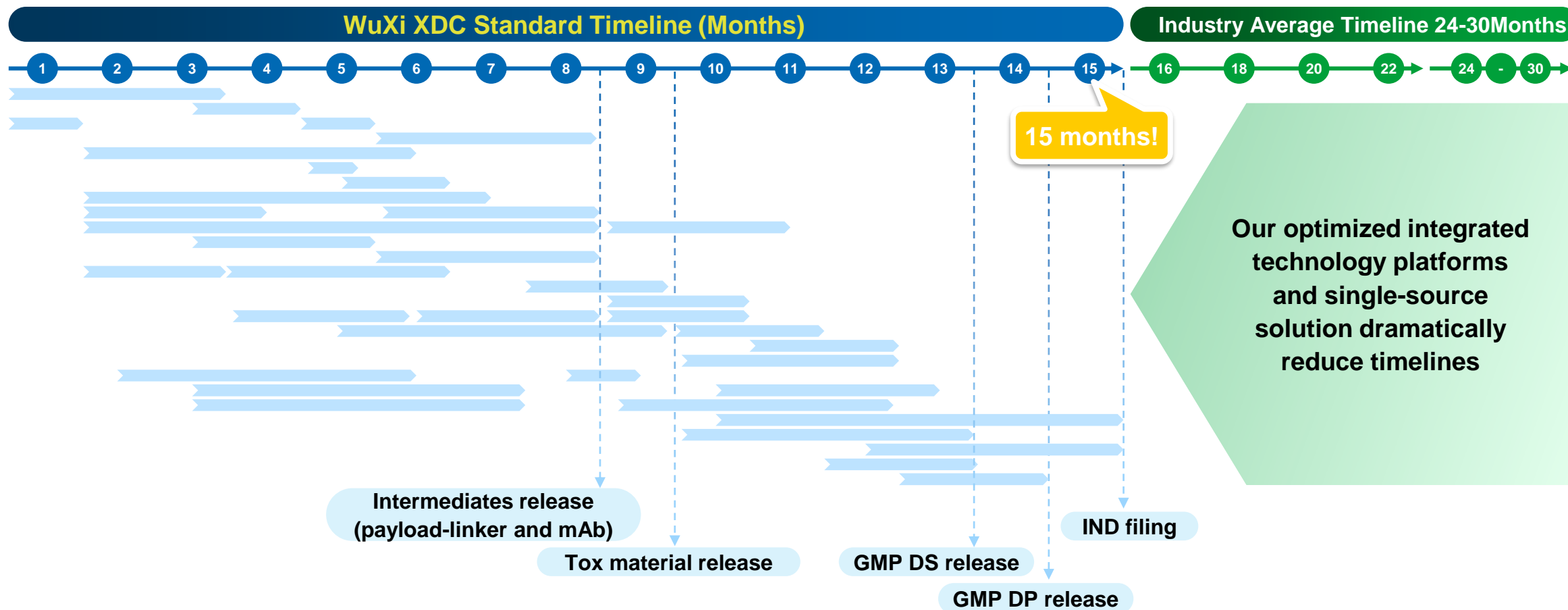
Satisfying clients' diversified needs

- Compatibility with many common linker-payloads
- Tested with MMAE, MMAF, DXD, PBD based linker-payloads
- No connector modification required

Simple CMC and Cost Reduction

- Simple conjugation process and comparable COG with conventional random conjugation

Our Powerful Platform: From DNA to IND in < 15 months



Key Benefits to Global Customers:

✓ Much faster time to IND: cuts timeline by ~50%



✓ Integrated service and cost saved across on XDC powerful platform

Empowering Clients is Our Core Value - A Successful Case Reviewed

Long-term partnership since Duality Bio's foundation in 2020



The consistently **high-quality** and **full lifecycle service** provided by XDC since Duality Bio's founding

XDC provided **integrated services** for Duality to help facilitate its milestones



About DualityBio:

- Within 3 years, developed **10+ ADCs with best-in-class and/or first-in-class potential** (4 in clinical stage)
- **Two ADC assets** received **FDA Fast Track Designation**
- **One ADC asset** designated by **FDA as Breakthrough Therapy**

All-in-One Manufacturing Facilities Operational and Ramping Up Rapidly



All-in-One manufacturing facilities with expanded capacity and robust supply chain!

The global uniquely designed **dual functional line** is to **accelerate conjugation production, reduce cost and increase flexibility.**

All manufacturing operations are compliant with **GMP regulations of FDA, EMA, and NMPA**, which ensures the innovative bioconjugate products manufactured in **high quality.**

Wuxi site facilities ramps up quickly and secures **multiple PPQ projects and anticipates 5 BLA submissions.**

Empowering Clients Globally: Our Singapore Facility to Deliver Exceptional, Sustainable Manufacturing Capacity and Global Supply Solutions

2024

- Ground breaking

2026

- mAb intermediate, conjugate DS & DP



Company management team at Singapore site ground breaking event



Facilities



Singapore's Tuas Biomedical Park



22,000 sq meters

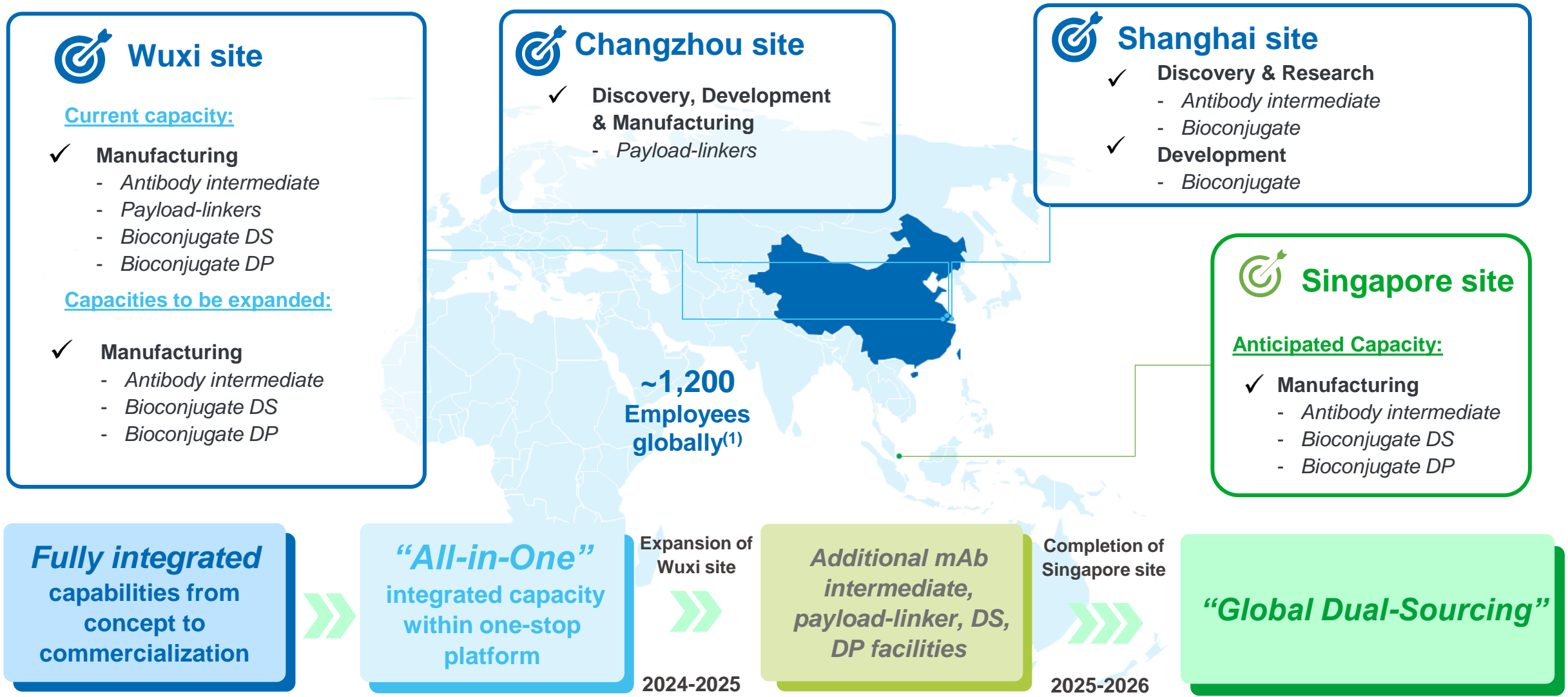
Capacities and Capabilities

Commercial scale GMP manufacture

- ✓ mAb intermediate: up to **2,000L**
- ✓ ADCs / conjugates DS: up to **2,000L**
- ✓ DP: **8 Mn+** vials / year, equipped with one 10 sqm lyo and two 30 sqm lyos

Onsite MSAT and QC labs, full DS/DP release testing and stability study

Our Global GMP-Compliant Manufacturing Facilities

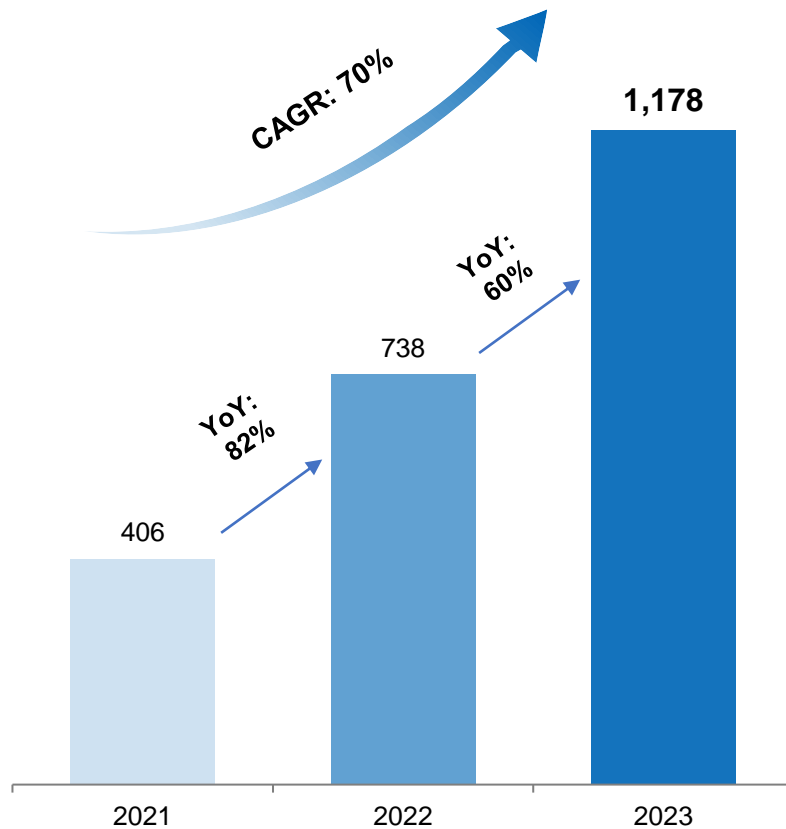


Note:
1. As of Dec 31, 2023

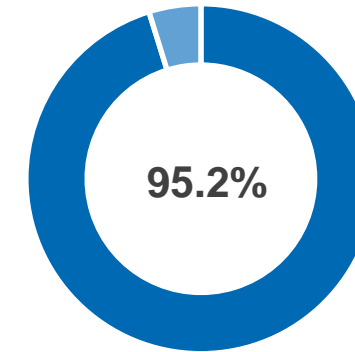
Workforce Expansion Strategically: Navigating Leadership, Growth, Experience and Efficiency

Expansion of Talent Pool to Support Rapid Business Growth

Total headcount

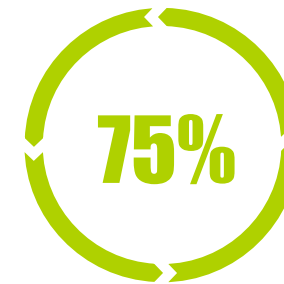


2023 Key Talents⁽¹⁾ Retention Rate

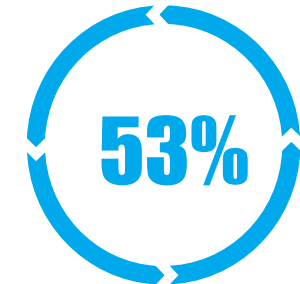


High Quality Talents Across All Functions

Master degree and above composing...



...of R&D function



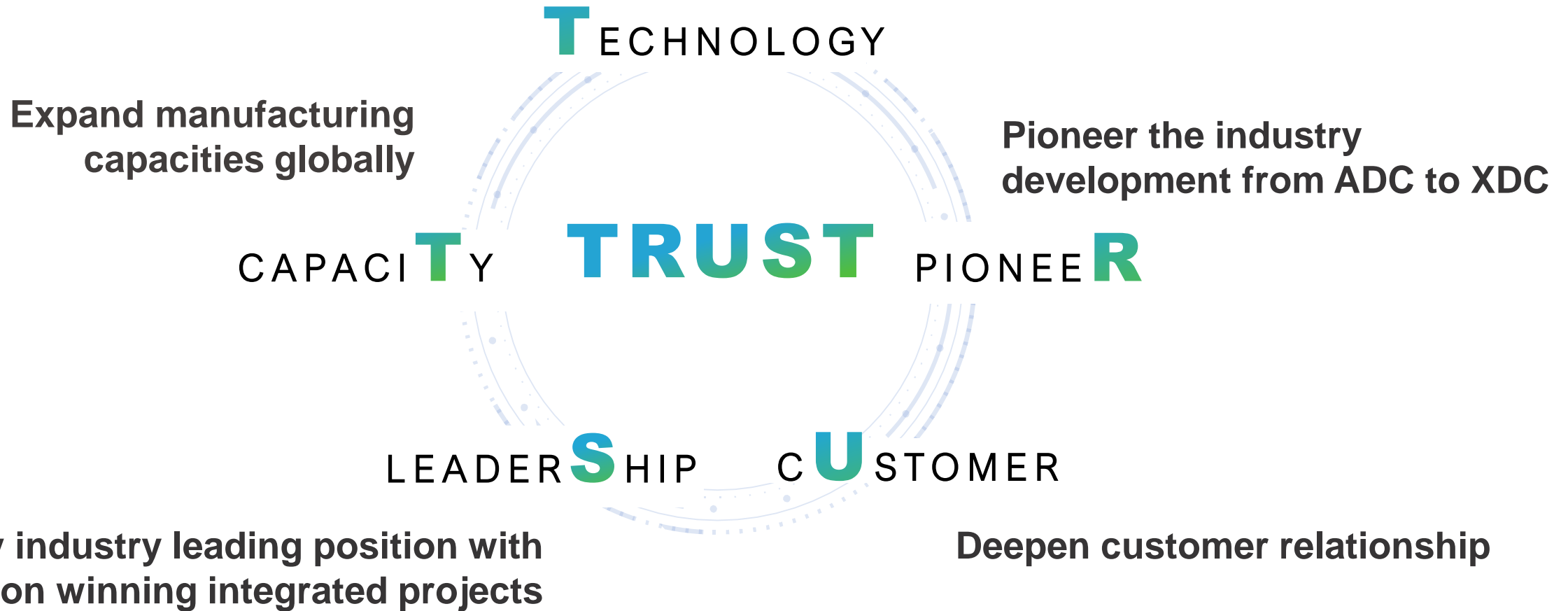
...of total Headcount

Note:

1. Key talents refer to the 2023 performance review ranked A or above employees

We Are Solidly Executing Our Corporate Strategy

Continue to improve technologies through internal R&D and strategic partnerships





02 Financial Performance

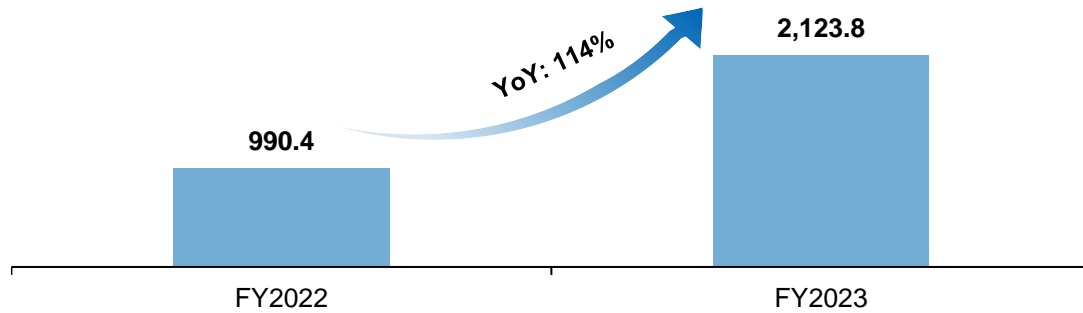
Mr. Michael (Xiaojie) XI, CFO



2023 - Another Year with Outstanding Results

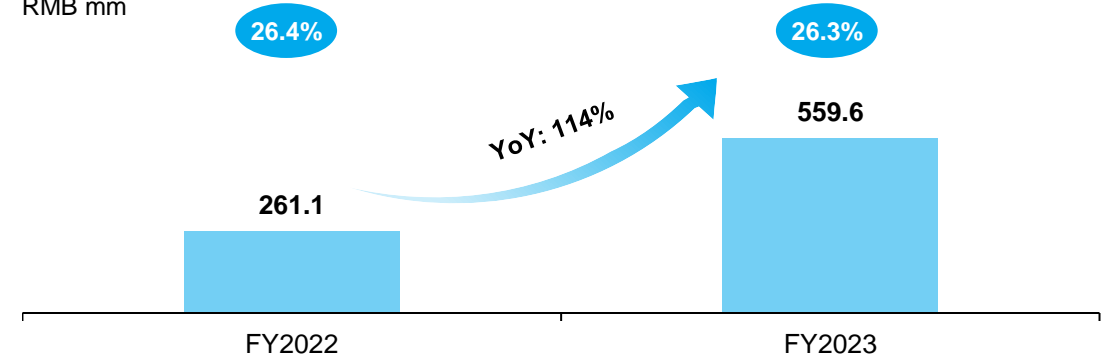
Revenue

RMB mm



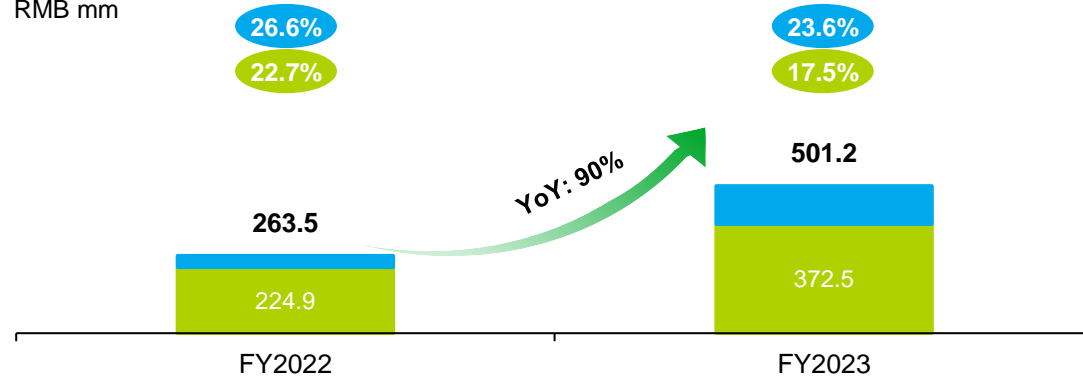
Gross Profit

RMB mm



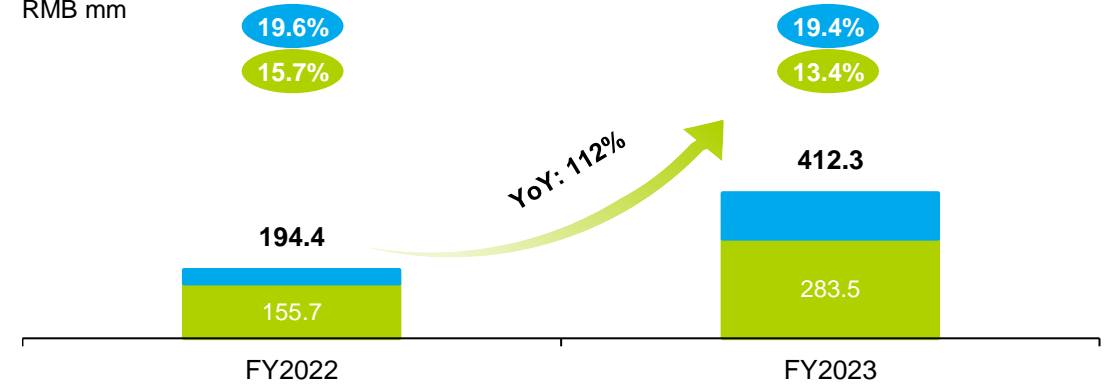
EBITDA⁽¹⁾ and Adjusted EBITDA⁽²⁾⁽³⁾

RMB mm



Net Profit and Adjusted Net Profit⁽²⁾⁽³⁾

RMB mm



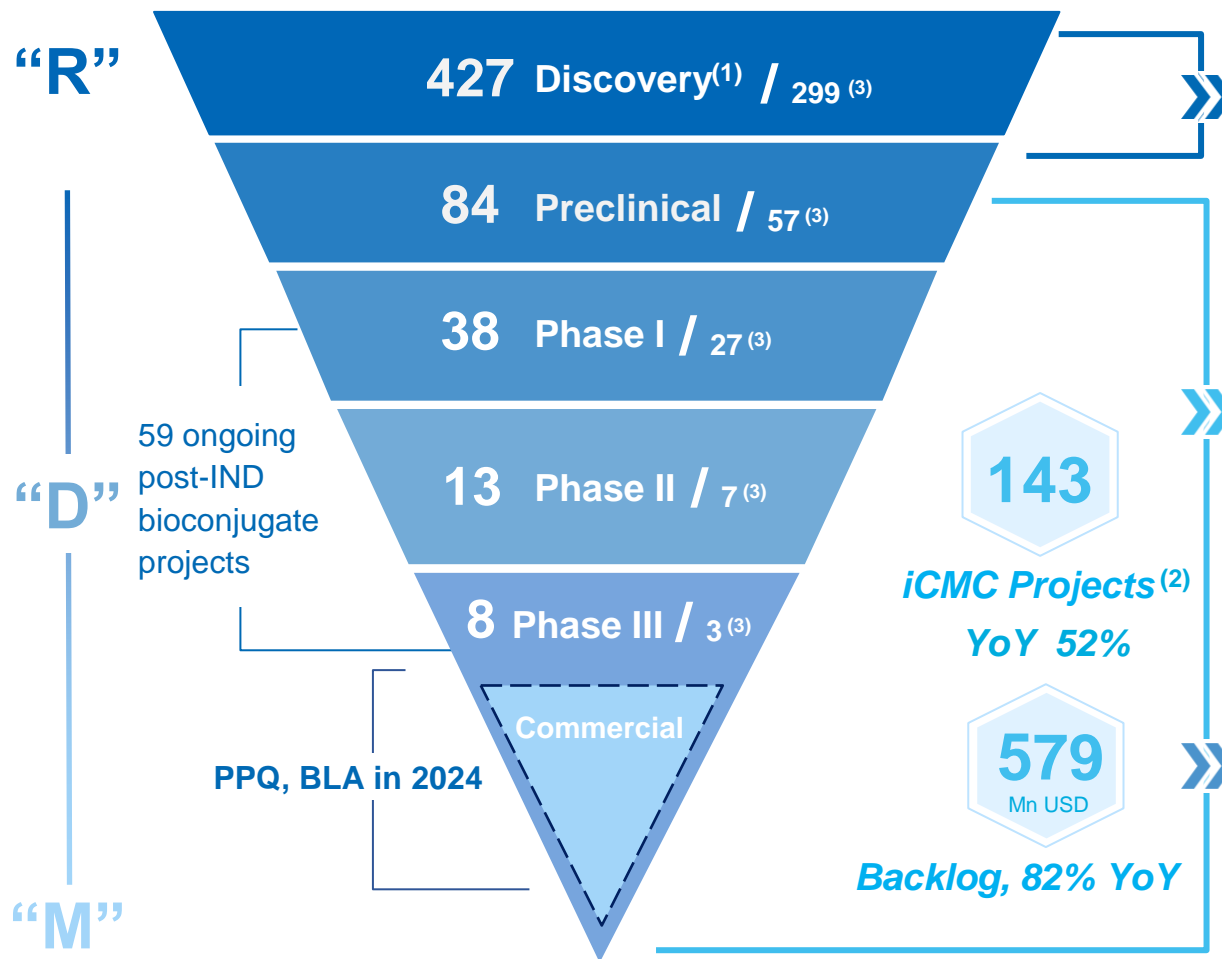
■ Unadjusted
 ● Unadjusted Margin %
 ■ Adjusted
 ● Adjusted Margin %

Notes:

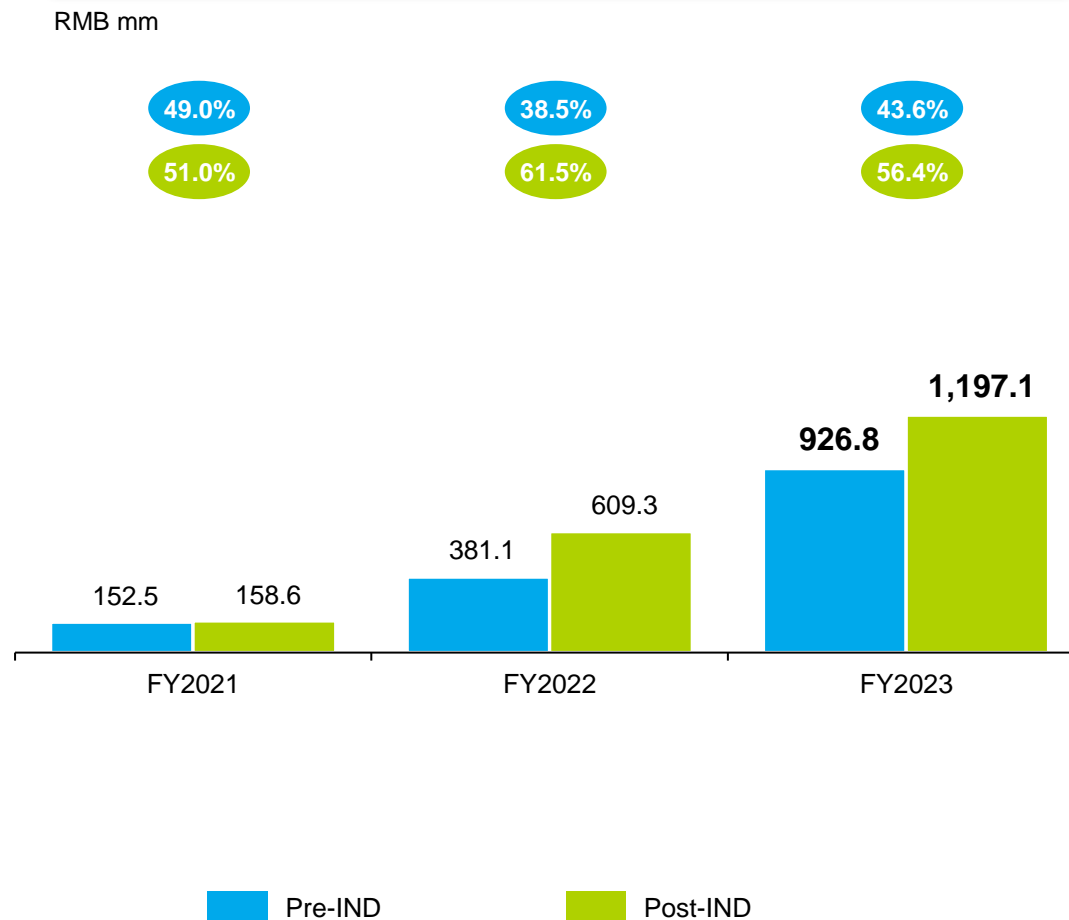
- EBITDA is defined as profit for the period adjusted by adding back depreciation and amortization, income tax expense finance costs and interest income from banks
- Adjusted EBITDA and adjusted net profit is defined as EBITDA and net profit for the period adjusted by adding back share-based compensation and listing expenses
- CAGR and YoY growth stand for Adjusted EBITDA or Adjusted Net Profit

Robust Growth Underpinned by High Percentage of Post-IND Projects and Strong Backlog

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



Revenue by Project Status

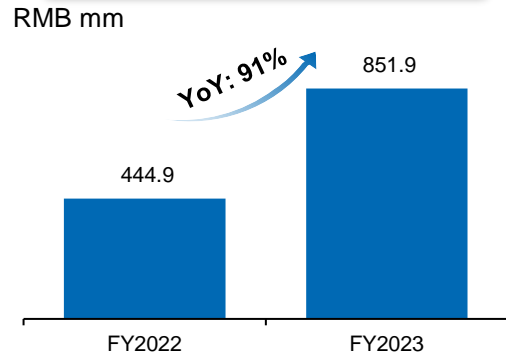


Notes:

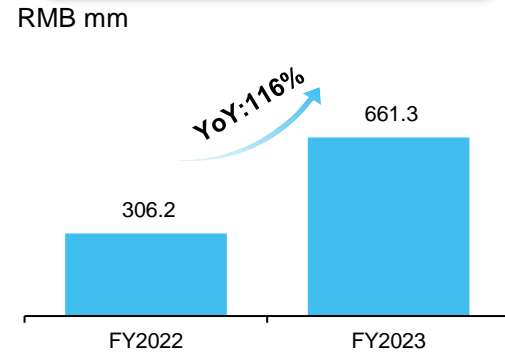
- Cumulative number since our inception and as of Dec 31, 2023;
- Number of ongoing integrated CMC projects, as of Dec 31, 2023;
- The small-sized figures account for the number of projects as at December 31, 2022, save for the number of projects at discovery stage which is cumulative from the Group's inception up until December 31, 2022

Robust Growth of Revenue Across All Geographic Regions

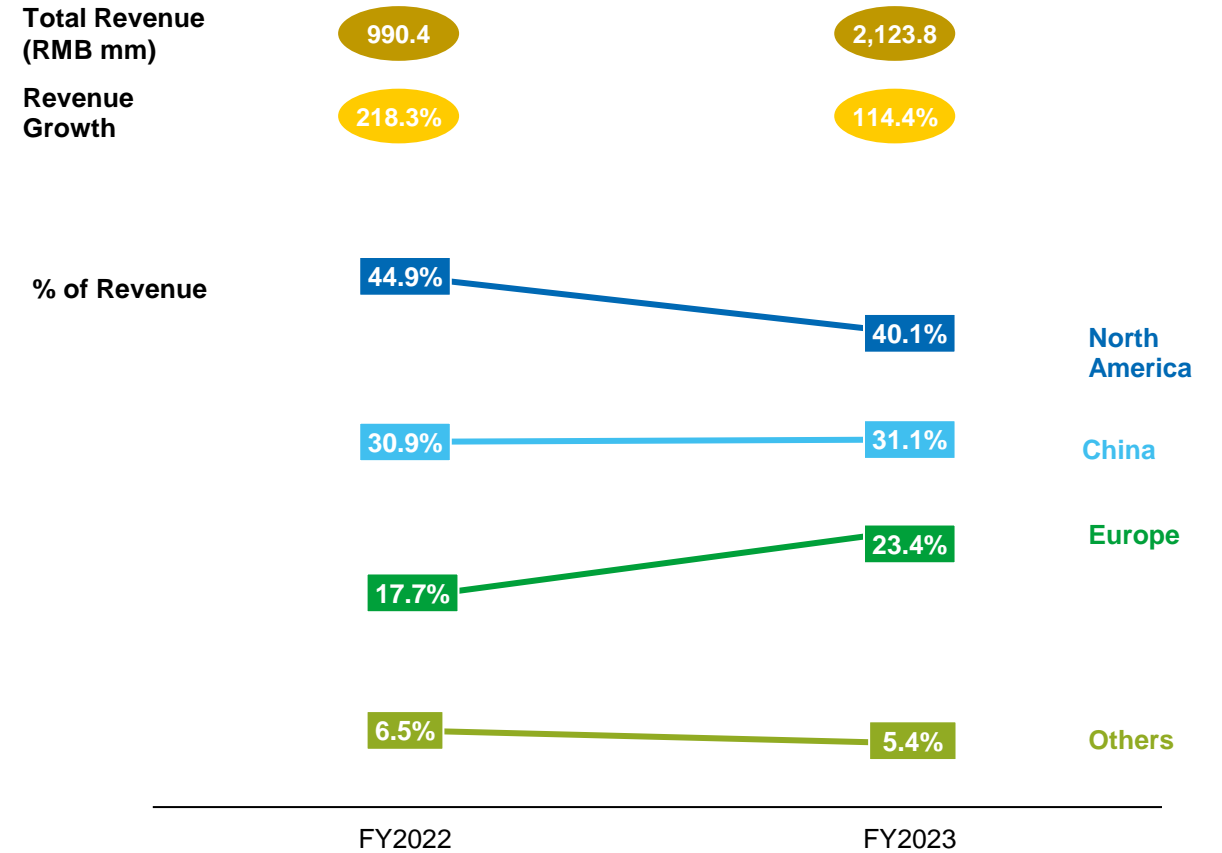
North America



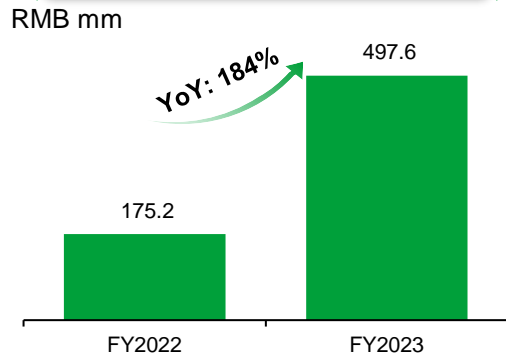
China



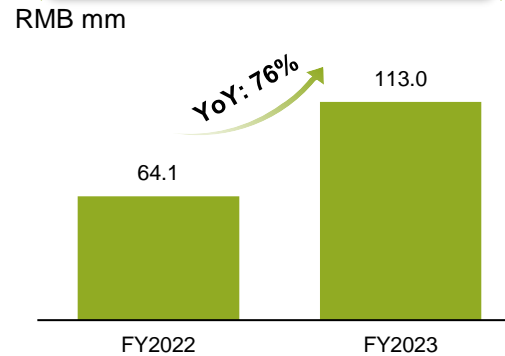
Revenue Breakdown by Geography⁽¹⁾



Europe



Others⁽²⁾



Notes:

1. The Company classifies revenue based on the location of the customers' headquarters
2. Includes primarily countries and regions in Asia (excluding China) and Australia

Our Mission

To **accelerate and transform the discovery, development and manufacturing of bioconjugates** through a **comprehensive open-access platform**, enabling our global healthcare partners and benefiting patients worldwide.

Q&A



Dr. Jimmy (Jincai) LI, CEO

Mr. Michael (Xiaojie) XI, CFO





Appendix **Financial Statements**



Consolidated Income Statements

RMB'000	Year ended December 31	
	2023	2022
Revenue	2,123,839	990,423
Cost of sales	(1,564,281)	(729,340)
Gross profit	559,558	261,083
Other income	92,305	26,152
Other gains and losses	(43,871)	46,672
Impairment losses (recognized) reversed, under expected credit loss model, net of reversal	21,993	(43,369)
Selling and marketing expenses	(15,220)	(8,769)
Administrative expenses	(123,966)	(49,210)
Listing expenses	(53,578)	-
Research and development expenses	(76,867)	(33,842)
Finance costs	(742)	(2,916)
Profit before tax	359,612	195,801
Income tax expenses	(76,074)	(40,070)
Profit for the year/period	283,538	155,731
Other comprehensive income (expense)		
Items that may be reclassified subsequently to profit or loss:		
Fair value gain (loss) on hedging instruments designated in cash flow hedges, net of income tax	-	-
Fair value gain (loss) on hedging instruments designated in cash flow hedges, net of income tax	1,146	(3,313)
Exchange gain arising on translation of foreign operations	1,125	-
Other comprehensive income (expense) for the year/period	2,271	(3,313)
Total comprehensive income for the year/period	285,809	152,418
Basic Earnings per share (RMB)	0.28	0.18
Diluted Earnings per share (RMB)	0.26	0.18

Consolidated Balance Sheets

RMB'000	Year ended December 31	
	2023	2022
Non-current assets		
Property, plant and equipment	1,246,234	798,575
Investment property	12,409	12,812
Right-of-use assets	2,145	5,280
Goodwill	215,193	215,193
Intangible assets	52,946	50,648
Deferred tax assets	6,267	11,540
Other long-term deposits and prepayments	147	-
Total Non-current assets	1,535,341	1,094,048
Current assets		
Inventories	46,804	62,934
Trade and other receivables	956,412	505,604
Contract assets	31,051	17,309
Contract costs	113,730	80,713
Tax recoverable	-	-
Derivative financial assets	-	799
Financial assets at FVTPL	-	400,000
Pledged bank deposits	4,400	-
Bank balances and cash	4,047,583	334,972
Total current assets	5,199,980	1,402,331
Current liabilities		
Trade and other payables	915,386	773,313
Loans from related parties	-	71,144
Contract liabilities	328,322	151,450
Income tax payable	34,455	11,506
Lease liabilities	1,247	4,413
Derivative financial liabilities	-	2,147
Total Current liabilities	1,279,410	1,013,973

Consolidated Balance Sheets (Cont'd)

RMB'000	Year ended December 31	
	2023	2022
Net current assets (liabilities)	3,920,570	388,358
Total assets less current liabilities	5,455,911	1,482,406
Non-current liabilities		
Deferred tax liabilities	-	-
Lease liabilities	1,595	1,627
Net assets	5,454,316	1,480,779
Capital and reserves		
Share capital	390	319
Reserves	5,453,926	1,480,460
Total equity	5,454,316	1,480,779
FINANCIAL POSITION OF THE COMPANY		
Non-current Assets		
Investments in subsidiaries	1,413,374	1,334,030
Current Assets		
Bank balances and cash	1,125	-
Current Liabilities		
Other payables	43,588	1,812
Net Current Assets (Liabilities)	4,952,715	1,332,809
Total assets less current liability/Net assets (liabilities)	4,952,715	1,332,809
Capital and Reserves		
Share capital	390	319
Reserves	4,952,325	1,332,490
Total Equity	4,952,715	1,332,809

Consolidated Statements of Cash Flows

RMB'000	Year ended December 31	
	2023	2022
OPERATING ACTIVITIES		
Profit before tax	359,612	195,801
Adjustments for:		
Finance costs	742	2,916
Interest income from banks	(47,363)	(4,612)
Depreciation of property, plant and equipment	46,412	17,510
Depreciation of investment property	403	403
Depreciation of right-of-use assets	4,731	4,959
Amortization of intangible assets	7,967	7,940
Impairment losses, net of reversal		
- Trade and other receivables	(22,471)	43,220
- Contract assets	478	149
Write down of inventories, net of reversal	1,232	120
Write down of contract costs	1,559	2,005
Net foreign exchange (gain) loss	51,997	(8,162)
Loss on disposal of property, plant and equipment	405	65
Share-based compensation expense	75,153	38,626
Gain on fair value changes of wealth management products	(5,543)	-
Operating cash flows before movements in working capital	475,314	300,940
Decrease (increase) in inventories	14,898	(39,268)
Increase in trade and other receivables	(428,102)	(592,233)
Decrease (increase) in other long-term deposits and prepayments	(4,547)	150
Decrease (increase) in contract assets	(14,220)	(9,776)
(Increase) decrease in contract costs	(22,592)	(45,481)
(Decrease) increase in trade and other payables	183,276	539,030
Increase in contract liabilities	176,873	141,587
Cash generated from operations	380,899	294,949
Income taxes paid	(48,054)	(43,133)
NET CASH FROM OPERATING ACTIVITIES	332,845	251,816

Consolidated Statements of Cash Flows (Cont'd)

RMB'000	Year ended December 31,	
	2023	2022
INVESTING ACTIVITIES		
Proceeds on disposal of property, plant and equipment	10,808	1,640
Payments for property, plant and equipment	(529,360)	(201,382)
Payments for intangible assets	(10,000)	-
Receipt of bank interest income	47,363	4,612
Payment for transfer of XDC Wuxi to the Group	-	(404,413)
Settlement of consideration payable for acquisition of Payload and Linker Business	-	(280,000)
Settlement of consideration payable for acquisition of BCD Business Unit	(15,587)	-
Placement of financial assets at FVTPL	(1,068,843)	(400,000)
Withdrawal of financial assets at FVTPL	1,474,386	-
NET CASH (USED IN) FROM INVESTING ACTIVITIES	(91,233)	(1,279,543)
FINANCING ACTIVITIES		
Loans from related parties	28,626	137,255
Repayments of loans from related parties	(99,770)	(88,454)
Repayments of lease liabilities	(4,794)	(5,725)
Interest paid	(315)	(325)
Net proceeds from issue of shares	3,603,962	-
Payment of transaction costs attributable to issue of shares	(5,605)	-
Fully paid of issued shares	-	1,285,462
NET CASH FROM FINANCING ACTIVITIES	3,522,104	1,328,213
Effects of exchange rate changes	(51,105)	8,161
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,712,611	308,647
Cash and cash equivalents at beginning of the year	334,972	26,325
TOTAL CASH AND CASH EQUIVALENTS AS AT 31 DECEMBER, represented by bank balances and cash	4,047,583	334,972