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**Genscript Biotech Corporation**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 1548)**

**ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR  
ENDED DECEMBER 31, 2024**

**ANNUAL RESULTS HIGHLIGHTS**

- The Group delivered sustained revenue growth. Revenue of the Group from continuing operations for the Reporting Period was approximately US\$594.5 million, representing an increase of 6.1% as compared with approximately US\$560.5 million for the Prior Period.
- Gross profit of the Group from continuing operations for the Reporting Period was approximately US\$272.1 million, kept stable as compared with the Prior Period.
- Profit of the Group for the Reporting Period was approximately US\$2.9 billion, whilst loss of the Group was approximately US\$355.1 million for the Prior Period, among which, the loss from continuing operations was approximately US\$173.8 million, whilst the profit was approximately US\$162.9 million for the Prior Period, and the profit from discontinued operation was approximately US\$3.0 billion, whilst the loss was approximately US\$518.0 million for the Prior Period.

Gain on deconsolidation of cell therapy business was approximately US\$3.2 billion, leading to a significant increase in the profit of the Group for the Reporting Period.

- The adjusted net profit of the Group from continuing operations for the Reporting Period was approximately US\$59.8 million, representing an increase of 2.9% as compared with approximately US\$58.1 million for the Prior Period.

Notes:  
(1)

	Year ended December 31,	
	2024 US\$'000	2023 US\$'000
<b>Continuing operations</b>		
Net (loss)/profit	(173,774)	162,879
Excluding:		
Equity-settled share-based compensation expense, net of tax	20,243	12,250
Fair value losses/(gains) of preferred shares and warrants	123,581	(129,207)
Losses of foreign currency forward and option contracts, net of tax	691	3,275
Consultation and other related costs for the Investigation, net of tax	-	541
Impairment losses of long-lived assets, net of tax	45,511	5,908
Exchange gains, net of tax	(1,250)	(1,776)
Fair value losses of non-current financial assets, net of tax	1,660	628
Service fees and unrealised finance costs for equity financing activities	4,632	3,618
Share of loss from Legend Group and service fees for Deconsolidation	<u>38,532</u>	<u>-</u>
Adjusted net profit	<u><u>59,826</u></u>	<u><u>58,116</u></u>

(2) In order to better reflect the key performance of the Group's current business and operations, the adjusted net profit is calculated on the basis of net profit/loss, excluding: (i) equity-settled share-based compensation expense; (ii) fair value gains or losses of preferred shares and warrants; (iii) losses of foreign currency forward and option contracts; (iv) consultation and other related costs for the Investigation (as defined in the announcement of the Company dated September 21, 2020); (v) impairment losses of long-lived assets, (vi) exchange gains; (vii) fair value losses of non-current financial assets, (viii) service fees and unrealised finance costs for equity financing activities; and (ix) share of loss from Legend Group and service fees for Deconsolidation.

(3) All the comparative financial figures in the consolidated statement of profit or loss and other comprehensive income and related notes to it in this announcement have been re-presented in according to HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* to reflect the impact caused by the deconsolidation of Legend, and to conform with current year's presentation. Please refer to note 8 to the financial statements below for details. For the readers' easy understanding and analysis, notes 3 to 6 to the financial statements are prepared for continuing operations only, except when otherwise indicated.

The board (the “**Board**”) of directors (the “**Director(s)**”) of Genscript Biotech Corporation (the “**Company**” or “**GenScript**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended December 31, 2024 (the “**Reporting Period**” or the “**Year**”) as follows:

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Year ended December 31,	
		2024	2023
	<i>Notes</i>	<i>US\$'000</i>	<i>(Restated)</i> <i>US\$'000</i>
<b>CONTINUING OPERATIONS</b>			
<b>REVENUE</b>	4	594,486	560,480
Cost of sales		<u>(322,361)</u>	<u>(289,851)</u>
Gross profit		272,125	270,629
Other income and gains	4	39,217	37,878
Selling and distribution expenses		(88,121)	(80,140)
Administrative expenses		(114,375)	(106,820)
Research and development expenses		(53,789)	(52,697)
Fair value (losses)/gains on preferred shares and warrants	21	(123,581)	129,207
Other expenses		(3,100)	(5,612)
Share of losses of associates:	12		
Investment in a significant associate		(37,751)	-
Investments in other associates		(1,321)	(1,384)
Finance costs	6	(8,032)	(5,739)
Provision for impairment of long-lived assets		(45,511)	(11,659)
Provision for impairment of financial assets, net		<u>(6,558)</u>	<u>(4,778)</u>
<b>(LOSS)/PROFIT BEFORE TAX</b>	5	(170,797)	168,885
Income tax expense	7	<u>(2,977)</u>	<u>(6,006)</u>
<b>(LOSS)/PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS</b>		<u>(173,774)</u>	<u>162,879</u>
<b>DISCONTINUED OPERATION</b>	8		
Loss for the period from Legend, net of tax		(203,149)	(518,000)
Gain on deconsolidation of Legend, net of tax		<u>3,232,210</u>	<u>-</u>
<b>PROFIT/(LOSS) FOR THE YEAR FROM DISCONTINUED OPERATION</b>		<u>3,029,061</u>	<u>(518,000)</u>

	Year ended December 31,	
	2024	2023
	<i>US\$'000</i>	<i>(Restated)</i> <i>US\$'000</i>
<b>PROFIT/(LOSS) FOR THE YEAR</b>	<b><u>2,855,287</u></b>	<b><u>(355,121)</u></b>
Attributable to:		
Owners of the parent	2,961,877	(95,477)
Non-controlling interests	<u>(106,590)</u>	<u>(259,644)</u>
	<b><u>2,855,287</u></b>	<b><u>(355,121)</u></b>
 <b>PROFIT/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>		
		<i>10</i>
Basic (US cent per share)		
- For profit/(loss) for the year	<u>139.63</u>	<u>(4.53)</u>
- For (loss)/profit from continuing operations	<u>(8.19)</u>	<u>7.72</u>
 Diluted (US cent per share)		
- For profit/(loss) for the year	<u>135.97</u>	<u>(4.53)</u>
- For (loss)/profit from continuing operations	<u>(8.19)</u>	<u>7.39</u>

	Year ended December 31,	
	2024	2023
	<i>US\$'000</i>	<i>(Restated)</i> <i>US\$'000</i>
<b>PROFIT/(LOSS) FOR THE YEAR</b>	<u><u>2,855,287</u></u>	<u><u>(355,121)</u></u>
<b>OTHER COMPREHENSIVE INCOME</b>		
<b>CONTINUING OPERATIONS</b>		
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:		
Share of other comprehensive loss of a significant associate	(55,032)	-
Exchange differences on translation of foreign operations	<u>(11,723)</u>	<u>(10,139)</u>
Other comprehensive loss for the year from continuing operations	<u>(66,755)</u>	<u>(10,139)</u>
<b>TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR FROM CONTINUING OPERATIONS</b>	<u><u>(240,529)</u></u>	<u><u>152,740</u></u>
<b>DISCONTINUED OPERATION</b>		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	<u>3,374</u>	<u>29,633</u>
Other comprehensive income for the year from discontinued operation	<u>3,374</u>	<u>29,633</u>
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR FROM DISCONTINUED OPERATION</b>	<u><u>3,032,435</u></u>	<u><u>(488,367)</u></u>
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR</b>	<u><u>2,791,906</u></u>	<u><u>(335,627)</u></u>
Attributable to:		
Owners of the parent	2,896,843	(92,090)
Non-controlling interests	<u>(104,937)</u>	<u>(243,537)</u>
	<u><u>2,791,906</u></u>	<u><u>(335,627)</u></u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		December 31, 2024	December 31, 2023
	<i>Notes</i>	<i>US\$'000</i>	<i>US\$'000</i>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	<i>11</i>	<b>518,001</b>	608,107
Advance payments for property, plant and equipment, net		<b>7,220</b>	22,218
Investment properties		<b>4,848</b>	5,442
Right-of-use assets		<b>77,617</b>	120,620
Goodwill		<b>1,336</b>	1,356
Other intangible assets		<b>13,035</b>	18,648
Investments in associates	<i>12</i>	<b>3,667,731</b>	15,291
Financial assets at fair value through profit or loss	<i>13</i>	<b>88,643</b>	31,869
Deferred tax assets		<b>27,735</b>	16,506
Time deposits	<i>16</i>	<b>33,387</b>	38,247
Other non-current assets		<b>3,738</b>	155,887
		<hr/>	<hr/>
Total non-current assets		<b>4,443,291</b>	1,034,191
<b>CURRENT ASSETS</b>			
Inventories	<i>14</i>	<b>31,097</b>	53,346
Contract costs		<b>19,349</b>	17,880
Trade and bills receivables	<i>15</i>	<b>116,291</b>	217,443
Prepayments, other receivables and other assets		<b>29,137</b>	103,320
Financial assets at fair value through profit or loss	<i>13</i>	<b>224,874</b>	105,645
Restricted cash	<i>16</i>	<b>17,919</b>	33,072
Time deposits	<i>16</i>	<b>264,321</b>	376,002
Cash and cash equivalents	<i>16</i>	<b>131,990</b>	1,446,403
		<hr/>	<hr/>
Total current assets		<b>834,978</b>	2,353,111

		December 31, 2024	December 31, 2023
	<i>Notes</i>	<i>US\$'000</i>	<i>US\$'000</i>
<b>CURRENT LIABILITIES</b>			
Trade and bills payables	17	29,838	39,959
Other payables and accruals	18	125,530	273,405
Interest-bearing loans and other borrowings	19	88,745	57,011
Lease liabilities		7,524	8,867
Tax payable		9,387	18,132
Contract liabilities	20	46,211	97,437
Financial liabilities at fair value through profit or loss	21	107	-
Total current liabilities		<u>307,342</u>	<u>494,811</u>
<b>NET CURRENT ASSETS</b>		<u>527,636</u>	<u>1,858,300</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>4,970,927</u>	<u>2,892,491</u>
<b>NON-CURRENT LIABILITIES</b>			
Interest-bearing loans and other borrowings	19	17,309	287,207
Lease liabilities		56,990	63,905
Contract liabilities	20	-	47,962
Deferred tax liabilities		5,839	5,622
Financial liabilities at fair value through profit or loss	21	473,732	350,151
Financial liabilities at amortised cost	22	79,435	75,363
Other non-current liabilities		14,260	17,927
Total non-current liabilities		<u>647,565</u>	<u>848,137</u>
<b>NET ASSETS</b>		<u>4,323,362</u>	<u>2,044,354</u>
<b>EQUITY</b>			
Share capital	23	2,142	2,121
Treasury shares		(6,091)	(9,445)
Reserves		4,325,121	1,398,403
Equity attributable to owners of the parent		4,321,172	1,391,079
Non-controlling interests		<u>2,190</u>	<u>653,275</u>
<b>TOTAL EQUITY</b>		<u>4,323,362</u>	<u>2,044,354</u>

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Year ended December 31,	
	2024	2023
<i>Notes</i>	<i>US\$'000</i>	<i>US\$'000</i>
Net cash flows generated from/(used in) operating activities	75,647	(286,911)
Net cash flows used in investing activities	(1,456,363)	(357,728)
Net cash flows generated from financing activities	66,519	1,068,260
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(1,314,197)</b>	<b>423,621</b>
Effect of foreign exchange rate changes, net	(216)	(1,217)
Cash and cash equivalents at beginning of the year	1,446,403	1,023,999
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>131,990</b>	<b>1,446,403</b>
	<i>16</i>	



## NOTES:

### 1. CORPORATE INFORMATION

The Company was incorporated on May 21, 2015 as an exempted company in the Cayman Islands with limited liability under the Companies Law of the Cayman Islands. The registered office address of the Company is 4th Floor, Harbour Place, 103 South Church Street, George Town, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands.

The Company is an investment holding company. The Company through its various subsidiaries manufactures and sells products and services, mainly including life-science services and tools, biologics development services and industrial synthetic biology products. Before October 18, 2024, the Company conducted cell therapy business through a subsidiary, Legend Biotech Corporation (“**Legend**” or “**Legend Group**”), which was deconsolidated from the Company on October 18, 2024 (“**Deconsolidation**”) and was reclassified as an associate thereafter. The shares of the Company were listed on the Main Board of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since December 30, 2015.

In the opinion of the Directors, the ultimate holding company of the Company is GenScript Corporation (“**GS Corp**”), which was incorporated in the United States of America (the “**U.S.**”).

### 2. BASIS OF PREPARATION

#### 2.1 Basis of preparation

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for financial assets and financial liabilities which have been measured at fair value. These financial statements are presented in United States dollars (“**US\$**”) and all values are rounded to the nearest thousand except when otherwise indicated.

In accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*, Legend was presented as a discontinued operation for the Reporting Period resulting from the Deconsolidation, and the comparative figures in the consolidated statement of profit or loss and other comprehensive income was re-presented to reflect the Legend’s deconsolidation as if the business had been discontinued at the beginning of the comparative year and to conform with current year’s presentation.

## 2.2 Changes in accounting policy and disclosures

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current</i>
	<i>(the "2020 Amendments")</i>
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants (the "2022</i>
	<i>Amendments")</i>
Amendments to HKAS 7 and	<i>Supplier Finance Arrangements</i>
HKFRS 7	

The adoption of these new and revised standards has no financial effect to the Group's financial performance and position.

### 3. OPERATING SEGMENT INFORMATION

The segment information for the year ended December 31, 2024, is as follows:

	Life-science services and products <i>US\$'000</i>	Biologics development services <i>US\$'000</i>	Industrial synthetic biology products <i>US\$'000</i>	Operation unit <i>US\$'000</i>	Eliminations <i>US\$'000</i>	Total <i>US\$'000</i>
<b>Segment revenue</b>						
Sales to external customers*	450,634	87,771	53,589	2,492	-	594,486
Intersegment sales	4,313	7,250	96	54,394	(66,053)	-
Total revenue	454,947	95,021	53,685	56,886	(66,053)	594,486
<b>Segment cost of sales</b>	<b>(219,909)</b>	<b>(86,189)</b>	<b>(31,083)</b>	<b>(49,523)</b>	<b>64,343</b>	<b>(322,361)</b>
<b>Segment gross profit</b>	<b>235,038</b>	<b>8,832</b>	<b>22,602</b>	<b>7,363</b>	<b>(1,710)</b>	<b>272,125</b>
Other income and gains	12	44,949	2,510	33,321	(41,575)	39,217
Selling and distribution expenses	(66,116)	(12,146)	(6,617)	(3,600)	358	(88,121)
Administrative expenses	(44,318)	(37,153)	(6,751)	(26,451)	298	(114,375)
Research and development expenses	(40,724)	(3,982)	(7,227)	(2,617)	761	(53,789)
Fair value losses of preferred shares	-	(130,880)	-	-	7,299	(123,581)
Other expenses	(619)	(1,034)	(591)	(30,958)	30,102	(3,100)
Finance costs	-	(4,290)	(2,461)	(2,028)	747	(8,032)
Share of losses of associates:						
Investment in a significant associate	-	-	-	(37,751)	-	(37,751)
Investment in other associates	-	-	(479)	(842)	-	(1,321)
Provision for impairment of long-lived assets	-	(45,511)	-	-	-	(45,511)
Provision for impairment of financial assets, net	(1,449)	(5,341)	(1)	(1,116)	1,349	(6,558)
<b>Profit/(Loss) before tax</b>	<b>81,824</b>	<b>(186,556)</b>	<b>985</b>	<b>(64,679)</b>	<b>(2,371)</b>	<b>(170,797)</b>

The segment information for the year ended December 31, 2023, is as follows:

	Life-science services and products <i>US\$ '000</i>	Biologics development services <i>US\$ '000</i>	Industrial synthetic biology products <i>US\$ '000</i>	Operation unit <i>US\$ '000</i>	Eliminations <i>US\$ '000</i>	Total <i>US\$ '000</i>
<b>Segment revenue</b>						
Sales to external customers*	407,892	106,916	42,892	2,780	-	560,480
Intersegment sales	<u>5,020</u>	<u>2,574</u>	<u>159</u>	<u>50,373</u>	<u>(58,126)</u>	<u>-</u>
Total revenue	412,912	109,490	43,051	53,153	(58,126)	560,480
<b>Segment cost of sales</b>	<u>(190,328)</u>	<u>(85,524)</u>	<u>(26,497)</u>	<u>(44,581)</u>	<u>57,079</u>	<u>(289,851)</u>
<b>Segment gross profit</b>	<u>222,584</u>	<u>23,966</u>	<u>16,554</u>	<u>8,572</u>	<u>(1,047)</u>	<u>270,629</u>
Other income and gains	3	16,754	1,555	18,313	1,253	37,878
Selling and distribution expenses	(59,578)	(12,607)	(4,879)	(3,272)	196	(80,140)
Administrative expenses	(49,362)	(27,871)	(5,112)	(24,524)	49	(106,820)
Research and development expenses	(39,283)	(6,129)	(4,815)	(3,018)	548	(52,697)
Fair value gains/(losses) of preferred shares and warrants	-	144,823	-	-	(15,616)	129,207
Other expenses	(103)	(763)	(45)	(19,038)	14,337	(5,612)
Finance costs	-	(3,268)	(1,254)	(1,960)	743	(5,739)
Share of losses of associates:						
Investment in a significant associate	-	-	-	-	-	-
Investment in other associates	-	-	(1,165)	(219)	-	(1,384)
Provision for impairment of long-lived assets	(11,659)	-	-	-	-	(11,659)
(Provision for) /Reversal of impairment of financial assets, net	<u>(1,285)</u>	<u>(3,405)</u>	<u>297</u>	<u>(385)</u>	<u>-</u>	<u>(4,778)</u>
<b>Profit/(Loss) before tax</b>	<u>61,317</u>	<u>131,500</u>	<u>1,136</u>	<u>(25,531)</u>	<u>463</u>	<u>168,885</u>

\* During the Reporting Period, the sales to external customers include the revenue derived from Legend at approximately US\$8,719,000 (For the year ended December 31, 2023: US\$5,915,000).

#### 4. REVENUE, OTHER INCOME AND GAINS

	Year ended December 31,	
	2024	2023
	US\$'000	US\$'000
<b>Revenue from contracts with customers</b>	<b>591,865</b>	557,577
<b>Revenue from other sources</b>		
Gross rental income from operating leases	1,446	1,258
Others	<u>1,175</u>	<u>1,645</u>
	<b><u>594,486</u></b>	<b><u>560,480</u></b>
<b>Other income and gains</b>		
<b>Other income</b>		
Finance income	28,894	22,584
Subsidies	6,874	9,212
Management service income	<u>929</u>	<u>665</u>
	<b>36,697</b>	32,461
<b>Gains</b>		
Foreign currency exchange gain, net	1,568	2,540
Fair value gains on financial assets at fair value through profit or loss, net	-	1,762
Others	<u>952</u>	<u>1,115</u>
	<b>2,520</b>	5,417
	<b><u>39,217</u></b>	<b><u>37,878</u></b>

## 5. LOSS BEFORE TAX

The Group's loss before tax from continuing operations is arrived at after charging/(crediting):

	<b>Year ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<b>US\$'000</b>	<b>US\$'000</b>
Cost of services and products	<b>192,050</b>	167,765
Depreciation of property, plant and equipment	<b>51,244</b>	44,132
Depreciation of right-of-use assets	<b>7,972</b>	7,234
Amortisation of other intangible assets	<b>2,230</b>	2,882
Depreciation of investment properties	<b>92</b>	100
Impairment of financial assets, net:		
Provision for impairment of trade receivables and other receivables, net	<b>6,558</b>	4,778
Provision for impairment of long-lived assets	<b>45,511</b>	11,659
Lease payments not included in the measurement of lease liabilities	<b>1,390</b>	2,063
Provision for inventories to net realisable value	<b>2,626</b>	6,919
Provision for contract costs to net realisable value	<b>454</b>	2,056
Auditors' remuneration	<b>1,534</b>	749
Employee benefit expenses (including directors' and chief executives' remuneration):		
Wages and salaries	<b>245,682</b>	220,628
Pension scheme contributions (defined contribution schemes)	<b>19,022</b>	17,353
Equity-settled share-based compensation expense	<b>18,796</b>	15,782
Less: Amount capitalised	<b>2,166</b>	(2,871)
	<b>285,666</b>	250,892
Foreign exchange differences, net	<b>(1,568)</b>	(2,540)
Losses of disposal of property, plant and equipment and other intangible assets	<b>1,184</b>	465
Service fees and unrealised finance costs for equity financing activities	<b>4,632</b>	3,618
Gains on wealth management financial products	<b>(8,584)</b>	(2,941)
Losses of foreign currency forward and option contracts, net	<b>933</b>	4,366
Fair value losses of non-current financial assets	<b>1,660</b>	628

## 6. FINANCE COSTS

	Year ended December 31,	
	2024 <i>US\$'000</i>	2023 <i>US\$'000</i>
Interest on financial liabilities measured at amortised cost	4,632	3,443
Interest on lease liabilities	2,184	1,312
Interest on bank loans	1,666	999
Less: Interest capitalised	<u>(450)</u>	<u>(15)</u>
	<u><b>8,032</b></u>	<u><b>5,739</b></u>

## 7. INCOME TAX

	Year ended December 31,	
	2024 <i>US\$'000</i>	2023 <i>US\$'000</i>
Current — Mainland China	10,079	4,881
Current — the U.S.	7,338	5,886
Current — Others	642	(2,775)
Deferred	<u>(10,416)</u>	<u>(3,850)</u>
Total	<u><b>7,643</b></u>	<u><b>4,142</b></u>
Less: Total tax (charge)/credit for the period from the discontinued operation	<u>(4,666)</u>	<u>1,864</u>
Total tax charge for the year from continuing operations	<u><b>2,977</b></u>	<u><b>6,006</b></u>

## 8. DISCONTINUED OPERATION

As mentioned in Note 1 to the financial statements, the Company deconsolidated Legend Group effective from October 18, 2024 (“**Deconsolidation Date**”). Legend Group was presented as a discontinued operation resulting from the Deconsolidation in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*, with the comparative figures for the year ended December 31, 2023 in the consolidated statement of profit or loss and other comprehensive income was re-presented to conform with current year’s presentation.

The Board of Directors assessed and concluded that it is appropriate to perform below accounting analysis of discontinued operation based on the consolidated financial statements of Legend as at September 30, 2024 and for the nine months ended then, as the financial position, financial performance and cash flows of Legend at that time do not significantly change compared to those at the Deconsolidation Date (i.e., October 18, 2024), as well as comparative information presented accordingly.

The results of Legend Group are presented below:

	<b>Nine months ended September 30, 2024 US\$'000</b>	For the year ended December 31, 2023 US\$'000
REVENUE	<u>440,719</u>	<u>285,143</u>
Cost of revenue	(160,659)	(144,214)
Other income and gains	49,148	58,126
Research and development expenses	(309,112)	(382,218)
Administrative expenses	(102,582)	(106,769)
Selling and distribution expenses	(98,556)	(94,158)
Other expenses	(1,139)	(28,484)
Fair value loss of warrants	-	(85,750)
Finance costs	<u>(16,463)</u>	<u>(21,794)</u>
Loss before tax	(198,644)	(520,118)
Income tax (expense)/credit	<u>(4,666)</u>	<u>1,864</u>
Loss for the period	(203,310)	(518,254)
Add: Intra-group unrealised gain before deconsolidation	<u>161</u>	<u>254</u>
Loss for the period from Legend, net of tax	(203,149)	(518,000)
Gain on deconsolidation of Legend, net of tax	<u>3,232,210</u>	<u>-</u>
Profit/(Loss) for the year from the discontinued operation	<u>3,029,061</u>	<u>(518,000)</u>



The financial position of Legend Group are as follows:

	<b>September 30, 2024</b>	December 31, 2023
	<i>US\$'000</i>	<i>US\$'000</i>
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	<b>104,031</b>	108,725
Advance payments for property, plant and equipment	<b>376</b>	451
Right-of-use assets	<b>99,452</b>	80,502
Other intangible assets	<b>2,507</b>	4,061
Time deposits	<b>4,509</b>	4,362
Other non-current assets	<b>174,913</b>	152,709
	<hr/>	<hr/>
Total non-current assets	<b>385,788</b>	350,810
<b>CURRENT ASSETS</b>		
Inventories	<b>23,548</b>	19,433
Trade and bills receivables	<b>705</b>	100,041
Prepayments, other receivables and other assets	<b>112,801</b>	69,251
Financial assets at fair value through profit or loss	<b>-</b>	663
Restricted cash	<b>583</b>	357
Time deposits	<b>753,123</b>	30,341
Cash and cash equivalents	<b>459,277</b>	1,277,713
	<hr/>	<hr/>
Total current assets	<b>1,350,037</b>	1,497,799
<b>CURRENT LIABILITIES</b>		
Trade and bills payables	<b>26,906</b>	20,160
Other payables and accruals	<b>165,418</b>	132,870
Lease liabilities	<b>4,342</b>	3,175
Tax payable	<b>11,067</b>	7,203
Contract liabilities	<b>63,161</b>	53,010
	<hr/>	<hr/>
Total current liabilities	<b>270,894</b>	216,418

	<b>September 30, 2024</b>	December 31, 2023
	<i>US\$'000</i>	<i>US\$'000</i>
<b>NON-CURRENT LIABILITIES</b>		
Interest-bearing loans and other borrowings	<b>296,623</b>	281,328
Lease liabilities	<b>45,626</b>	44,169
Contract liabilities	-	47,962
Other non-current liabilities	<b>6,575</b>	7,361
	<hr/>	<hr/>
Total non-current liabilities	<b>348,824</b>	380,820
<b>EQUITY</b>		
Share capital	<b>37</b>	36
Reserves	<b>1,116,070</b>	1,251,335
	<hr/>	<hr/>
Total equity	<b>1,116,107</b>	1,251,371

The gain arising from the deconsolidation of Legend was calculated as follows:

	<b>At the Deconsolidation Date</b>
	<i>US\$'000</i>
Net assets of Legend	1,116,107
Less: Non-controlling interests	(585,286)
Legend's net assets attributable to the Company	<hr/> 530,821
Fair value of the Company's retained investment in Legend (note)	3,740,355
Less: Legend's net assets of attributable to the Company	(530,821)
Add: The reclassification of accumulated currency translation differences that attributable to the Company	<hr/> 22,676
Gain on deconsolidation of Legend, net of tax	<hr/> 3,232,210

*(Note)* The fair value of the Company's retained investment in Legend was determined based on quoted market price of Legend's shares on Deconsolidation Date on the Nasdaq Global Select Market in the United States.

The cash flows of Legend Group are as follows:

	<b>Nine months ended September 30, 2024 US\$'000</b>	For the year ended December 31, 2023 US\$'000
Operating activities	<b>(61,955)</b>	(393,276)
Investing activities	<b>(762,702)</b>	92,786
Financing activities	<b>6,031</b>	791,490
Net foreign exchange differences	<b>190</b>	682
	<hr/>	<hr/>
Net cash (outflow)/inflow for the period from the discontinued operation	<b><u>(818,436)</u></b>	<b><u>491,682</u></b>

An analysis of the cash flows of cash and cash equivalents in respect of the deconsolidation of Legend is as follows:

	<b>2024</b>
Cash consideration received	-
Less: Cash and cash equivalents at the Deconsolidation Date	<hr/> <b>459,277</b>
Net outflow of cash and cash equivalents from the deconsolidation of Legend	<hr/> <b><u>(459,277)</u></b>

## 9. DIVIDENDS

The Board resolved not to declare any dividend for the year ended December 31, 2024 (2023: Nil).

## 10. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings/(loss) per share amounts is based on the profit/(loss) for the Reporting Period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 2,121,285,454 (2023: 2,109,365,328) in issue during the Reporting Period.

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

The calculations of basic and diluted earnings/(loss) per share are based on:

	<b>Year ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<i>US\$'000</i>	<i>US\$'000</i>
<b>Profit/(Loss)</b>		
Profit/(Loss) attributable to ordinary equity holders of the parent, used in the basic and diluted earnings/(loss) per share calculation		
(Loss)/Profit from continuing operations	<b>(173,800)</b>	162,824
Profit/(Loss) from the discontinued operation	<b>3,135,677</b>	<b>(258,301)</b>
	<u><b>2,961,877</b></u>	<u><b>(95,477)</b></u>
Profit/(Loss) attributable to ordinary equity holders of the parent		
	<b>2024</b>	<b>2023</b>
<b>Number of shares</b>		
Weighted average number of ordinary shares in issue during the year	<b>2,125,610,314</b>	2,115,102,955
Effect of shares repurchased	<b>(4,324,860)</b>	<b>(5,737,627)</b>
	<u><b>2,121,285,454</b></u>	<u><b>2,109,365,328</b></u>
Weighted average number of ordinary shares in issue during the year used in the basic earnings/(loss) per share calculation		
Effect of dilution – weighted average number of ordinary shares	<b>57,016,286</b>	93,107,379
	<u><b>2,178,301,740</b></u>	<u><b>2,202,472,707</b></u>
Weighted average number of ordinary shares in issue during the year used in the diluted earnings/(loss) per share calculation		
	<b>2024</b>	<b>2023</b>
	<i>US cents</i>	<i>US cents</i>
<b>Basic earnings/(loss) per share arising from</b>		
Continuing operations (note)	<b>(8.19)</b>	7.72
Discontinued operation	<b>147.82</b>	(12.25)
Profit/(Loss) for the year	<b>139.63</b>	<b>(4.53)</b>
	<u><b>139.63</b></u>	<u><b>(4.53)</b></u>
<b>Diluted earnings/(loss) per share arising from</b>		
Continuing operations (note)	<b>(8.19)</b>	7.39
Discontinued operation	<b>143.95</b>	(12.25)
Profit/(Loss) for the year	<b>135.97</b>	<b>(4.53)</b>
	<u><b>135.97</b></u>	<u><b>(4.53)</b></u>

(Note) For the continuing operations, the diluted loss per share is the same as the basic loss per share because the effect of share options and restricted share units were anti-dilutive for the year ended December 31, 2024.

## 11. PROPERTY, PLANT AND EQUIPMENT

	Land, buildings and leasehold improvements US\$'000	Machinery and equipment US\$'000	Transportation equipment US\$'000	Computer and office equipment US\$'000	Construction in progress US\$'000	Total US\$'000
<b>December 31, 2024</b>						
At December 31, 2023, and at January 1, 2024:						
Cost	350,488	302,966	1,018	15,639	131,595	801,706
Accumulated depreciation and impairment	(56,085)	(124,911)	(563)	(10,680)	(1,360)	(193,599)
Net carrying amount	<u>294,403</u>	<u>178,055</u>	<u>455</u>	<u>4,959</u>	<u>130,235</u>	<u>608,107</u>
At January 1, 2024, net of accumulated depreciation and impairment						
	294,403	178,055	455	4,959	130,235	608,107
Additions	10,245	2,728	38	131	112,253	125,395
Deconsolidation of Legend (note 8)	(75,693)	(24,462)	(16)	(807)	(3,053)	(104,031)
Disposals	(73)	(1,574)	-	(91)	(68)	(1,806)
Depreciation provided during the year	(18,754)	(37,622)	(83)	(2,364)	-	(58,823)
Impairment	-	(735)	-	-	(43,931)	(44,666)
Transfers	56,838	49,910	-	3,239	(109,987)	-
Exchange realignment	(3,069)	(1,760)	(7)	29	(1,368)	(6,175)
At December 31, 2024, net of accumulated depreciation and impairment	<u>263,897</u>	<u>164,540</u>	<u>387</u>	<u>5,096</u>	<u>84,081</u>	<u>518,001</u>
At December 31, 2024						
Costs	320,666	296,937	986	13,755	129,372	761,716
Accumulated depreciation and impairment	(56,769)	(132,397)	(599)	(8,659)	(45,291)	(243,715)
Net carrying amount	<u>263,897</u>	<u>164,540</u>	<u>387</u>	<u>5,096</u>	<u>84,081</u>	<u>518,001</u>

	Land, buildings and leasehold improvements US\$'000	Machinery and equipment US\$'000	Transportation equipment US\$'000	Computer and office equipment US\$'000	Construction in progress US\$'000	Total US\$'000
December 31, 2023						
At December 31, 2022, and at January 1, 2023:						
Cost	265,520	238,653	959	17,585	142,061	664,778
Accumulated depreciation and impairment	(38,533)	(91,509)	(491)	(12,678)	-	(143,211)
Net carrying amount	<u>226,987</u>	<u>147,144</u>	<u>468</u>	<u>4,907</u>	<u>142,061</u>	<u>521,567</u>
At January 1, 2023, net of accumulated depreciation and impairment	226,987	147,144	468	4,907	142,061	521,567
Additions	2,478	6,707	-	673	141,682	151,540
Disposals	(87)	(177)	(14)	(581)	(6)	(865)
Depreciation provided during the year	(18,282)	(33,992)	(80)	(2,482)	-	(54,836)
Impairment	-	(2,947)	-	-	(1,360)	(4,307)
Transfers	85,105	62,447	89	2,505	(150,146)	-
Exchange realignment	(1,798)	(1,127)	(8)	(63)	(1,996)	(4,992)
At December 31, 2023, net of accumulated depreciation and impairment	<u>294,403</u>	<u>178,055</u>	<u>455</u>	<u>4,959</u>	<u>130,235</u>	<u>608,107</u>
At December 31, 2023						
Costs	350,488	302,966	1,018	15,639	131,595	801,706
Accumulated depreciation and impairment	(56,085)	(124,911)	(563)	(10,680)	(1,360)	(193,599)
Net carrying amount	<u>294,403</u>	<u>178,055</u>	<u>455</u>	<u>4,959</u>	<u>130,235</u>	<u>608,107</u>

As at December 31, 2024, no property, plant and equipment were pledged for the interest-bearing bank loan (2023: US\$2,895,000).

As at December 31, 2024, the properties in amount of approximately US\$31,974,000 (2023: US\$33,370,000) were pledged to an affiliate of the Series B Preferred Shareholder of Probio Technology Limited (“**Probio Cayman**” or “**Probio**”) to secure the redemption right held by such preferred shareholder.

During the year, an impairment loss of US\$44,666,000 was recognised for certain property, plant and equipment of the Group attributed to the biologics development services segment. The recoverable amount was determined at the level of cash-generating units based on a value-in-use calculation using cash flow projections.

## 12. INVESTMENTS IN ASSOCIATES

	<b>December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<i>US\$'000</i>	<i>US\$'000</i>
Investment in a significant associate	<b>3,653,932</b>	-
Investments in other associates	<b>13,799</b>	15,291
	<u>3,667,731</u>	<u>15,291</u>
Net carrying amount	<b>3,667,731</b>	15,291
	<u>-</u>	<u>37</u>
Loan to an associate	-	37

Legend, a significant associate of the Company, whose shares are listed by way of American Depositary Shares on the Nasdaq Global Select Market in the United States.

The following tables illustrate the condensed financial information of Legend as included in its own consolidated financial statements, subject for appropriate adjustments made in order to account, for example, identifiable intangible assets based on the fair values at the Deconsolidation Date and adjusted for any differences in accounting policies, and reconciled to the carrying amount in the consolidated financial statements:

	<b>December 31,</b>	September 30,
	<b>2024</b>	2024
	<i>US\$'000</i>	<i>US\$'000</i>
Non-current assets	<b>6,503,503</b>	6,616,978
Current assets	<b>1,283,918</b>	1,350,037
Current liabilities	<b>277,645</b>	270,894
Non-current liabilities	<b>1,320,526</b>	1,333,502
	<u>6,189,250</u>	<u>6,362,619</u>
Total identifiable net assets at fair value	<b>6,189,250</b>	6,362,619
Proportion of the Group's ownership	<b>47.51%</b>	47.56%
Group's share of identifiable net assets of Legend	<b>2,940,413</b>	3,026,061
Equity method goodwill	<b>713,519</b>	714,294
	<u>3,653,932</u>	<u>3,740,355</u>
Investment in Legend	<b>3,653,932</b>	3,740,355

**For the period  
from October 1, 2024  
to December 31, 2024  
US\$'000**

Revenue	<b>186,522</b>
Loss for the period	<b>(71,524)</b>
Including: Net profit after tax of Legend for the period as reported by Legend	26,284
Amortisation and depreciation of new identified intangible and tangible assets, net of tax	(97,808)
Other comprehensive loss	<b>(115,836)</b>
Total comprehensive loss	<b>(187,360)</b>

The movement on interests in Legend is as follows:

	<b>2024 US\$'000</b>
Initial carrying amount in Legend upon Deconsolidation on the Deconsolidation Date	<b>3,740,355</b>
Share (47.51%) of loss for the period	<b>(33,980)</b>
Loss on deemed dilution of interests	<b>(3,771)</b>
Share (47.51%) of other comprehensive loss	<b>(55,032)</b>
Share (47.51%) of share-based compensation reserves	<b>6,360</b>
At December 31, 2024	<b><u>3,653,932</u></b>

The following table illustrates the aggregate financial information of the Group's associates that are not individually material:

	<b>2024 US\$'000</b>	<b>2023 US\$'000</b>
Share of the associates' loss for the year	<b>(1,321)</b>	(1,384)
Share of the associates' total comprehensive loss	<b>(1,321)</b>	(1,384)
Aggregate carrying amount of the Group's investments in other associates	<b><u>13,799</u></b>	<u>15,291</u>

During the year ended December 31, 2024, no provision for impairment was recognised for interests in associates in the consolidated income statement (2023: Nil)



### 13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<b>December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<i>US\$'000</i>	<i>US\$'000</i>
<b>Non-current</b>		
Investments in financial products	65,344	13,044
Unlisted equity investments	23,299	18,825
	<u>88,643</u>	<u>31,869</u>
<b>Current</b>		
Investments in financial products	224,851	105,282
Listed equity investment	23	21
Foreign currency forward and option contracts	-	342
	<u>224,874</u>	<u>105,645</u>

### 14. INVENTORIES

	<b>December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<i>US\$'000</i>	<i>US\$'000</i>
Raw materials	21,626	37,873
Work in progress	2,806	6,461
Finished goods	18,937	27,792
	<u>43,369</u>	<u>72,126</u>
Provision for inventories	<u>(12,272)</u>	<u>(18,780)</u>
	<u>31,097</u>	<u>53,346</u>

As at December 31, 2024, there were no collaboration inventories relating to the collaboration cost with a collaborator, as Legend has been deconsolidated from the Group (December 31, 2023: with a net carrying amount of US\$19,433,000).

## 15. TRADE AND BILLS RECEIVABLES

	<b>December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<i>US\$'000</i>	<i>US\$'000</i>
Trade receivables	123,746	219,064
Bills receivable	<u>6,404</u>	<u>6,346</u>
	<b>130,150</b>	<b>225,410</b>
Impairment of trade receivables	<u>(13,859)</u>	<u>(7,967)</u>
	<u><b>116,291</b></u>	<u><b>217,443</b></u>

An ageing analysis of the gross carrying amount of trade receivables as at the end of the year, based on the invoice date is shown in the table below:

	<b>December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<i>US\$'000</i>	<i>US\$'000</i>
Within 3 months	83,598	179,954
3 to 6 months	15,058	12,556
6 to 12 months	9,325	14,198
Over 1 year	<u>15,765</u>	<u>12,356</u>
	<u><b>123,746</b></u>	<u><b>219,064</b></u>

## 16. CASH AND BANK BALANCES

	<b>December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<i>US\$'000</i>	<i>US\$'000</i>
Cash and bank balances	<u>447,617</u>	<u>1,893,724</u>
Less:		
Restricted cash	17,919	33,072
Non-pledged time deposits:		
Current portion	264,321	376,002
Non-current portion	<u>33,387</u>	<u>38,247</u>
Cash and cash equivalents	<u><b>131,990</b></u>	<u><b>1,446,403</b></u>

## 17. TRADE AND BILLS PAYABLES

	December 31,	
	2024	2023
	US\$'000	US\$'000
Trade payables	29,794	39,097
Bills payable	44	862
	<u>29,838</u>	<u>39,959</u>

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

	December 31,	
	2024	2023
	US\$'000	US\$'000
Within 3 months	26,281	36,059
3 to 6 months	1,298	996
6 to 12 months	975	1,516
Over 1 year	1,240	526
	<u>29,794</u>	<u>39,097</u>

The trade payables are non-interest-bearing and are normally settled on the turnover of 30 to 90 days.

## 18. OTHER PAYABLES AND ACCRUALS

	December 31,	
	2024	2023
	US\$'000	US\$'000
Accrued expenses	17,270	84,466
Accrued payroll and welfare	47,236	72,871
Payables for purchases of property, plant and equipment	39,833	71,489
Payable for collaboration assets	-	16,338
Other payables	14,688	19,663
Subsidies	1,151	1,141
Other tax payables	5,352	7,437
	<u>125,530</u>	<u>273,405</u>

## 19. INTEREST-BEARING LOANS AND OTHER BORROWINGS

	Effective interest rate (%)	December 31,		Effective interest rate (%)	Maturity	US\$'000
		2024	2023			
<b>Current</b>						
Bank loans – unsecured	1.9-2.6	2025	88,745	2.4-2.6	2024	23,155
Bank loans – secured			-	1.1-1.7	2024	33,785
Current portion of long-term bank loans – secured			-	0.33	2024	71
			<u>88,745</u>			<u>57,011</u>
<b>Non-current</b>						
Other borrowings – unsecured			-	8.07	No specific	281,328
Non-current portion of long-term bank loans – secured	3.95-4.2	2026-2029	<u>17,309</u>	4.2	2026	<u>5,879</u>
			<u>17,309</u>			<u>287,207</u>

## 20. CONTRACT LIABILITIES

	December 31,	
	2024	2023
	US\$'000	US\$'000
<b>Current</b>		
Rendering of services and sales of products	<u>46,211</u>	<u>97,437</u>
<b>Non-current</b>		
Rendering of services and sales of products	<u>-</u>	<u>47,962</u>

## 21. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31,	
	2024	2023
	<i>US\$'000</i>	<i>US\$'000</i>
<b>Current</b>		
Foreign currency forward contracts	107	-
	<u>107</u>	<u>-</u>
<b>Non-current</b>		
Probio Series A Preferred Shares	235,500	159,810
Probio Series C Preferred Shares	238,232	190,341
	<u>473,732</u>	<u>350,151</u>
	<u><u>473,839</u></u>	<u><u>350,151</u></u>

The movements of the above preferred shares and warrants are set out below:

	<b>Total</b> <i>US\$'000</i>
As at January 1, 2024	350,151
Fair value changes during the year	<u>123,581</u>
As at December 31, 2024	<u><u>473,732</u></u>
As at January 1, 2023	352,359
Issuance	193,999
Exercise of warrants issued by Legend	(152,750)
Fair value changes during the year	<u>(43,457)</u>
As at December 31, 2023	<u><u>350,151</u></u>

## 22. FINANCIAL LIABILITIES AT MEASURED AT AMORTISED COST

	December 31,	
	2024	2023
	<i>US\$'000</i>	<i>US\$'000</i>
<b>Non-current</b>		
Probio Series B Preferred Shares	41,218	38,987
BSJ Series A Capital Increase	<u>38,217</u>	<u>36,376</u>
	<u><u>79,435</u></u>	<u><u>75,363</u></u>

The movements of the above financial liabilities at measured at amortised cost are set out below:

	<b>Total</b>
	<b><i>US\$'000</i></b>
As at January 1, 2024	75,363
Interest expenses accrued during the year	4,632
Exchange realignment	<u>(560)</u>
As at December 31, 2024	<u><u>79,435</u></u>
As at January 1, 2023	36,761
Issuance	35,089
Interest expenses accrued during the year	3,443
Exchange realignment	<u>70</u>
As at December 31, 2023	<u><u>75,363</u></u>

## 23. SHARE CAPITAL AND SHARE PREMIUM

**December 31,**  
**2024**                      2023  
*US\$'000*                      *US\$'000*

Authorised:		
Ordinary shares of US\$0.001 each	<u><b>5,000</b></u>	<u>5,000</u>
Issued and fully paid:		
Ordinary shares of US\$0.001 each	<u><b>2,142</b></u>	<u>2,121</u>

A summary of movements in the Group's share capital and share premium is as follows:

	Number of shares in issue	Share capital <i>US\$'000</i>	Treasury shares <i>US\$'000</i>	Share premium <i>US\$'000</i>	Total <i>US\$'000</i>
At January 1, 2023	<u>2,111,225,635</u>	<u>2,111</u>	<u>(11,922)</u>	<u>1,473,027</u>	<u>1,463,216</u>
Issuance of ordinary shares of Legend Cayman	-	-	-	429,065	429,065
Exercise of share options and restricted share units	<u>9,396,823</u>	<u>10</u>	<u>2,477</u>	<u>37,166</u>	<u>39,653</u>
At December 31, 2023 and January 1, 2024	<u>2,120,622,458</u>	<u>2,121</u>	<u>(9,445)</u>	<u>1,939,258</u>	<u>1,931,934</u>
Equity transaction with non-controlling interests	-	-	-	177	177
Exercise of share options and restricted share units	<u>21,674,175</u>	<u>21</u>	<u>3,354</u>	<u>42,090</u>	<u>45,465</u>
At December 31, 2024	<u><b>2,142,296,633</b></u>	<u><b>2,142</b></u>	<u><b>(6,091)</b></u>	<u><b>1,981,525</b></u>	<u><b>1,977,576</b></u>

## POSITIONING OF THE COMPANY

The Group is a well-recognised biotechnology company. Based on our proprietary DNA synthesis technology and the other technology and know-hows on life-science research and application, we have well established several major platforms including (i) a life-science services and products platform to provide one-stop solutions to global research communities, (ii) Probio, a biologics contract development and manufacturing organisation (the “**CDMO**”) platform, and (iii) Bestzyme, an industrial synthetic products platform. The above internally built platforms collectively have demonstrated their strong growth from research and development to commercial delivery for the Reporting Period. The Group also holds significant investments in Legend, which is a global leading biotech company dedicated developing cell therapies.

The Group’s business operations span over 100 countries and regions worldwide with legal entities located in Mainland China, the U.S., Hong Kong, Japan, Singapore, Netherlands, the United Kingdom, Korea, Spain, Australia and Macao. Our professional workforce is consisted of approximately 5,568 team members as at December 31, 2024.

The life-science services and products segment offers services and products covering gene synthesis, oligo nucleotide synthesis, peptide synthesis, protein production, antibody development, and life-science equipment and consumables. By servicing early-stage research and discovery projects at pharma, biotech and academic institutions, our business has made significant contributions to the global life science research community.

Probio is a subsidiary of the Group. As a leading CDMO, Probio empowers biologics innovators worldwide by providing seamless end-to-end solutions. Our comprehensive platform integrates discovery, development, and manufacturing services, streamlining the development process, reducing timelines, and increasing the success rate of biologics projects. By accelerating the development and manufacturing of life-changing biologic therapies, we aim to improve the lives of patients worldwide and contribute to a healthier future.

Bestzyme Biotech Corporation (“**Bestzyme**”) is a subsidiary of the Group engaged in the industrial synthetic biology fields. Bestzyme uses our advanced protein engineering technology to develop products for feed, food, grain processing, and home care industries. We believe synthetic biology offers us new opportunities from both technical and commercial perspectives.

Legend is a material associate of the Group that specifically engages in the discovery and development of novel cell therapies for oncology and other indications. Legend’s lead product candidate, ciltacabtagene autoleucel (“**cilta-cel**”), is a chimeric antigen receptor T-cell (“**CAR-T**”) therapy jointly developed with Janssen Biotech, Inc. (“**Janssen**”), for the treatment of multiple myeloma (“**MM**”).



## BUSINESS REVIEW

The Group continues to deliver sustained revenue growth. From continuing operations, the overall revenue of the Group was approximately US\$594.5 million during the Reporting Period, representing an increase of 6.1% as compared with approximately US\$560.5 million for the year ended December 31, 2023 (the “**Prior Period**”). The increase in revenue was primarily attributable to the (i) continuous investment in commercial promotion to enhance brand awareness, particularly in Europe and the U.S., and (ii) market share growth, driven by new competitive services and products. Gross profit was approximately US\$272.1 million during the Reporting Period, remained stable as compared with the Prior Period.

In the meanwhile, gain on deconsolidation of cell therapy business have led to a significant increase in profit of the Group. During the Reporting Period, the profit of the Group has increased to approximately US\$2.9 billion, whilst the loss of the Group was approximately US\$355.1 million for the Prior Period. The adjusted net profit of the Group from continuing operations was approximately US\$59.8 million, representing an increase of 2.9% as compared with approximately US\$58.1 million for the Prior Period.

During the Reporting Period, the profit attributable to owners of the Company was approximately US\$3.0 billion, whilst the loss attributable to owners of the Company was approximately US\$95.5 million for the Prior Period.

During the Reporting Period, the external revenue of (i) life-science services and products, (ii) biologics development services, and (iii) industrial synthetic biology products accounted for approximately 75.8%, 14.8% and 9.0% of the total revenue of the Group, respectively.

## Results Analysis of the Three Business Segments

	For the year ended December 31, 2024			For the year ended December 31, 2023		
	Life-science services and products <i>US\$'000</i>	Biologics development services <i>US\$'000</i>	Industrial synthetic biology products <i>US\$'000</i>	Life-science services and products <i>US\$'000</i>	Biologics development services <i>US\$'000</i>	Industrial synthetic biology products <i>US\$'000</i>
Revenue	454,947	95,021	53,685	412,912	109,490	43,051
Adjusted gross profit	237,667	14,378	22,605	224,498	19,761	16,554
Adjusted selling and distribution expenses	62,819	11,592	6,593	56,020	12,956	4,879
Adjusted administrative expenses	43,594	36,942	6,715	46,442	27,234	5,108
Adjusted research and development expenses	39,436	3,870	7,188	38,142	5,859	4,815
Provision for/(Reversal of) impairment of financial assets, net	1,449	5,341	1	1,285	3,405	(297)
Adjusted provision for impairment of long- lived assets	-	-	-	4,307	-	-
Adjusted operating profit/(loss)	<b>90,369</b>	<b>(43,367)</b>	<b>2,108</b>	<b>78,302</b>	<b>(29,693)</b>	<b>2,049</b>

The adjusted cost and expenses exclude the impact from: (i) equity-settled share-based compensation expense; (ii) service fees and unrealised finance costs for equity financing activities; and (iii) impairment losses of long-lived assets.

## *Life-science services and products*

### *Results*

During the Reporting Period, revenue from life-science services and products was approximately US\$454.9 million, representing an increase of 10.2% as compared with approximately US\$412.9 million for the Prior Period. The adjusted gross profit was approximately US\$237.7 million, representing an increase of 5.9% as compared with approximately US\$224.5 million for the Prior Period. The adjusted gross profit margin decreased slightly to 52.2% from 54.4% for the Prior Period. The adjusted operating profit was approximately US\$90.4 million, representing an increase of 15.5% as compared with approximately US\$78.3 million for the Prior Period.

The increases in revenue, adjusted gross profit and adjusted operating profit were all mainly attributable to the (i) platform upgrades through innovations and automation, delivering services and products with enhanced reliability, accelerated turnaround and superior quality standards, particularly in protein and molecular biology platforms, (ii) enhanced manufacturing and operational efficiency improvement across production sites in Singapore, the U.S. and Mainland China, and (iii) robust commercial expansion in the U.S. and European markets, characterized by a differentiated value proposition and premium technical support.

### *Development Strategies*

To drive future growth and market share gain, the Company intends to: (i) invest in research and development (“**R&D**”) to accelerate innovation in the areas of antibody drug development, AI-assisted drug discovery, and other advanced therapeutics; (ii) improve reliability, quality and cost effectiveness of our products and services through continuous lean management and process automation; (iii) bolster global manufacturing capacity to support sustained business growth with locally based supply chain solutions in the U.S., Singapore, and Mainland China; and (iv) enhance brand awareness through marketing campaigns.

## *Biologics development services*

### *Results*

During the Reporting Period, revenue from biologics development services was approximately US\$95.0 million, representing a decrease of 13.2% as compared with approximately US\$109.5 million for the Prior Period. The adjusted gross profit was approximately US\$14.4 million, representing a decrease of 27.3% as compared with approximately US\$19.8 million for the Prior Period. The adjusted gross profit margin decreased to 15.1% from 18.1% for the Prior Period. The adjusted operating loss was approximately US\$43.4 million, representing an increase of 46.1% as compared with approximately US\$29.7 million for the Prior Period.

The decrease in revenue and adjusted gross profit was mainly attributed to (i) reduced pricing and intensified competition due to unfavorable market conditions, and (ii) lower capacity utilisation of newly launched GMP (“**Good Manufacturing Practice**”) facilities. Additionally, the adjusted operating loss was attributable to the higher administrative costs associated with the expansion of the U.S. capacity and strategic deployment of personnel to support both business growth and operational delivery.

### *Development strategies*

Our development strategy focuses on driving sustainable growth and expansion while maintaining operational excellence. The Company intends to: (i) continuously increase market penetration in North America and Europe by acquiring new customers in advanced therapeutics and consolidating relationships with existing ones; (ii) expand our manufacturing footprint in North America to satisfy clients with flexible service options and reduce supply chain risk; (iii) grow with clients to advance clients’ projects for commercial success; and (iv) upgrade our manufacturing platforms via R&D and partnership, and invest in quality improvement initiatives.

Furthermore, the Company also intends to develop pre-clinical new molecular entity (“**NME**”) assets such as nano antibodies against various therapeutic targets. We will explore various collaborative models such as licensing and co-development to monetize such NME assets and generate a revenue stream complementary to our fee-for-service business.

## ***Industrial synthetic biology products***

### *Results*

During the Reporting Period, revenue from industrial synthetic biology products was approximately US\$53.7 million, representing an increase of 24.6% as compared with approximately US\$43.1 million for the Prior Period. The adjusted gross profit was approximately US\$22.6 million, representing an increase of 36.1% as compared with approximately US\$16.6 million for the Prior Period. The adjusted gross profit margin increased to 42.1% from 38.5% for the Prior Period. The adjusted operating profit kept stable at approximately US\$2.1 million as compared with the Prior Period.

The increase of revenue and adjusted gross profit was primarily attributable to the (i) rapid increase in penetration into feed and industrial enzyme market in China, and (ii) quick expansion of ex-China feed and industrial enzyme business. The adjusted gross profit margin was positively impacted from the optimisation and upgrade of production process, and implementation of more focused strategies for key accounts.

### *Development Strategies*

The Company aims to be a leading synthetic biology company. The Company intends to: (i) drive enzyme business revenue growth and profit improvement through innovation and process optimisation; (ii) strengthen commercial capability to focus on key accounts and increase presence in ex-China markets; and (iii) leverage R&D competency in synthetic biology to deliver more innovative products in new application areas.

## FINANCIAL REVIEW

	<b>2024</b>	2023	Change
	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>
<b>Continuing operations</b>			
Revenue	594,486	560,480	34,006
Gross profit	272,125	270,629	1,496
(Loss)/Profit after income tax	(173,774)	162,879	(336,653)
Adjusted net profit	59,826	58,116	1,710
<b>Discontinued operation</b>			
Loss for the period from Legend, net of tax	(203,149)	(518,000)	314,851
Gain on deconsolidation of Legend, net of tax	3,232,210	-	3,232,210
Profit/(Loss) for the year	2,855,287	(355,121)	3,210,408
Profit/(Loss) attributable to owners of the Company	2,961,877	(95,477)	3,057,354
Earnings/(Loss) per share for the year ( <i>US cents</i> )			
-Basic	139.63	(4.53)	144.16
-Diluted	<u>135.97</u>	<u>(4.53)</u>	<u>140.50</u>
Adjusted profit and expenses:			
Gross profit	280,320	268,346	11,974
Selling and distribution expenses	83,731	76,608	7,123
Administrative expenses	106,883	95,822	11,061
Research and development expenses	<u>52,123</u>	<u>51,136</u>	<u>987</u>

### Revenue

In 2024, the Group recorded revenue of approximately US\$594.5 million, representing an increase of 6.1% from approximately US\$560.5 million in 2023. This was primarily attributable to the (i) continuous investment in commercial promotion to enhance brand awareness, particularly in Europe and the U.S., and (ii) market share growth, driven by new competitive services and products.

### Gross Profit

In 2024, the Group's gross profit increased by 0.6% to approximately US\$272.1 million from approximately US\$270.6 million in 2023. The adjusted gross profit increased by 4.5% over the Prior Period.

## **Selling and distribution expenses**

In 2024, the Group's selling and distribution expenses increased by 10.0% to approximately US\$88.1 million from approximately US\$80.1 million in 2023. This was mainly caused by the (i) expanded marketing efforts, including participation in high-profile exhibitions and industry conferences, as well as increased advertising to strengthen brand recognition, and (ii) greater investment in commercial talent, including workforce expansion with experienced professionals and optimisation of incentive structures, aimed at market penetration and business growth in key regions. The adjusted selling and distribution expenses increased by 9.3% over the Prior Period.

## **Administrative expenses**

The administrative expenses increased by 7.1% to approximately US\$114.4million in 2024 from approximately US\$106.8 million in 2023. This was mainly caused by the expenditures in infrastructure associated with capacity expansion and enhanced administrative functions. The adjusted administrative expenses increased by 11.5% over the Prior Period.

## **Research and development expenses**

The research and development expenses increased by 2.1% to approximately US\$53.8million in 2024 from approximately US\$52.7 million in 2023. The adjusted research and development expenses increased by 1.9% over the Prior Period.

## **Provision for impairment of long-lived assets**

The impairment of long-lived assets increased to approximately US\$45.5 million in 2024 from approximately US\$11.7 million in 2023, which was mainly derived from the biologics development services segment. The management evaluated the recoverable amount at the level of the cash-generating unit and based on a value-in-use calculation using discounted cash flow projections.

## **Fair value gains or losses of preferred shares and warrants**

On August 18, 2021 (New York time), Probio Cayman, an indirectly owned subsidiary of the Company, entered into a purchase agreement with certain investors, whereby Probio Cayman sold 300,000,000 shares of series A preferred shares of Probio Cayman (the "**Probio Series A Preferred Shares**") and a warrant exercisable for up to an aggregate of 189,393,939 ordinary shares of Probio Cayman (the "**Probio Warrant**", and collectively the "**Probio Cayman Purchase**"). The total proceeds from the Probio Cayman Purchase was US\$150.0 million. Pursuant to the purchase agreement, Probio Cayman issued the Probio Warrant to the investors to purchase the ordinary shares of Probio Cayman at a certain price per share for up to an aggregate amount of US\$125.0 million. Please refer to the announcements of the Company dated May 14, 2021, June 7, 2021, August 19, 2021 and September 5, 2021 for details.

On January 17, 2023, Probio Cayman entered into a subscription agreement with certain investors (including the Company), pursuant to which Probio Cayman issued and sold, and the investors purchased an aggregate of 319,998,370 series C preferred shares of Probio Cayman (the “**Probio Series C Preferred Shares**”) for an aggregate consideration of approximately US\$224.0 million at the applicable closing (the “**Probio Series C Financing**”). Please refer to the announcements of the Company dated January 17, 2023, February 10, 2023, and April 21, 2023 for details.

The Probio Series A Preferred Shares, Probio Series C Preferred Shares and the Probio Warrant are accounted for as financial liabilities measured at fair value with changes through profit or loss in accordance with relevant HKFRSs.

As at December 31, 2024, the fair value of the Probio Series A Preferred Shares and Probio Series C Preferred Shares were assessed at approximately US\$473.7 million. Fair value losses of approximately US\$123.6 million were recorded during the Reporting Period due to the changes in fair value of these financial liabilities.

### **Financial liabilities at amortised cost**

On July 2, 2022, Probio Cayman entered into a subscription agreement with an investor, pursuant to which Probio Cayman issued and sold and the investor purchased 57,314,000 series B preferred shares of Probio Cayman (the “**Probio Series B Shares**”) at an aggregate consideration of approximately US\$37.3 million (the “**Probio Series B Financing**”). The completion of the Probio Series B Financing took place on July 6, 2022. Please refer to the announcements of the Company dated July 4, 2022 and July 6, 2022 for details.

The Probio Series B Preferred Shares is accounted for as financial liabilities at amortised cost for liability component and other reserves for equity component.

On May 26, 2023, Nanjing Bestzyme Bioengineering Co., Ltd.\* (南京百斯傑生物工程有限公司) (“**BSJ Nanjing**”), an indirect non-wholly owned subsidiary of the Company, entered into a capital increase agreement with certain investors, pursuant to which the investors subscribed for the additional registered capital of BSJ Nanjing of RMB37,609,070 (equivalent to approximately US\$5.3 million) for a total consideration of RMB250.0 million (equivalent to approximately US\$35.2 million) to acquire approximately 10.4168% equity interest in BSJ Nanjing upon the closing (the “**BSJ Series A Capital Increase**”). In connection with the BSJ Series A Capital Increase, the investors are entitled to the redemption right pursuant to the shareholder agreement dated May 26, 2023 entered into by, among others, the investors and BSJ Nanjing. Please refer to the announcements of the Company dated May 28, 2023 and June 25, 2023 for details.

The BSJ Series A Capital Increase is accounted for as financial liabilities at amortised cost.



As at December 31, 2024, the equity component of Probio Series B Preferred Shares in other reserves were assessed at approximately US\$1.6 million, and the liability component was assessed at approximately US\$41.2 million with interest expenses assessed at approximately US\$2.2 million during the Reporting Period. The financial liabilities at amortised cost of the BSJ Series A Capital Increase was approximately US\$38.2 million with interest expenses at approximately US\$2.4 million during the Reporting Period.

### **Income tax expense**

The income tax expense from continuing operations decreased from approximately US\$6.0 million for the Prior Period to approximately US\$3.0 million for the Reporting Period. The decrease of tax expense was mainly caused by the recognition of deferred tax assets for recoverable losses derived from the biologics development services segment.

### **Net profit/(loss)**

During the Reporting Period, from continuing operations, net loss of the Group was approximately US\$173.8 million, whilst the net profit for the Prior Period was approximately US\$162.9 million. The adjusted net profit of the Group was approximately US\$59.8 million.

### **Profit/(Loss) from the discontinued operation**

Pursuant to the announcement of the Company dated October 22, 2024, effective from October 18, 2024, the Company has no power to unilaterally govern the financial and operation policies of the Legend Group due to the loss of power to cast the majority of votes at the general meeting of Legend, the Legend Group was deconsolidated from the Company then in accordance with the requirements of Hong Kong Financial Reporting Standards (HKFRS) 10 *Consolidated Financial Statements*. After the Deconsolidation, Legend was reclassified as an associate (as defined in the Listing Rules) and the Company subsequently accounts for the investment in Legend using equity method as the Company is assessed to have significant influence in Legend.

During the Reporting Period, the Group recorded a profit of approximately US\$3.0 billion from the discontinued operation, consisting of (i) a one-time, tax-free, unrealised gain of approximately US\$3.2 billion, reflecting the difference of the Group's share of Legend's fair market value and the share of Legend's net assets at the Deconsolidation Date, and (ii) a post-tax loss from Legend of approximately US\$203.1 million for the period from January 1, 2024 to the Deconsolidation Date. Loss of approximately US\$518.0 million was recorded for the Prior Period.

### **Trade receivables**

	2024	2023
Trade receivables turnover day	<u>78</u>	<u>76</u>

The slight increase of trade receivables turnover days of the Group was primarily driven by the extended credit term to key customers of life-science services, particularly those outside of China.

## Inventories

	2024	2023
Inventory turnover day	<u>50</u>	<u>62</u>

The decrease of inventory turnover days of the Group was mainly caused by on-going lean management on supply chain and production process, resulting in a higher inventory turnover.

## Property, plant and equipment

Property, plant and equipment include buildings, machinery equipment and construction in progress. As at December 31, 2024, the property, plant and equipment of the Group amounted to approximately US\$518.0 million, representing a decrease of 14.8% from approximately US\$608.1 million as at December 31, 2023. This was mainly due to the deconsolidation of Legend and the impairment loss recognised for certain property, plant and equipment in the biologics development services segment.

## Right-of-use assets

Right-of-use assets mainly include leasehold land, buildings, office premises and share of collaboration assets. As at December 31, 2024, the Group's right-of-use assets amounted to approximately US\$77.6 million, representing a decrease of 35.7% from approximately US\$120.6 million as at December 31, 2023. The decrease was mainly due to the deconsolidation of Legend, and partially offset by the newly rented leasehold infrastructure associated with capacity expansion.

## Working capital and financial resources

The Group consistently adopted a prudent financial management policy. Fund management, financing and investment activities were all undertaken and monitored by the management of the Company. Given the industry characteristics of the core business of the Group, the emphasis of routine financial control management was placed on the management of working capital, particularly the timely receipts of trade receivables and payment arrangement of trade payables.

The capital structure of the Group was constantly monitored by the Company and aimed to monitor its working capital and financial resources to maintain a solid financial position. The use of any capital instruments, including banking facilities, by each subsidiary was under the central coordination and arrangement of the Company.

As at December 31, 2024, the wealth management financial products, time deposits and cash and cash equivalents of the Group amounted to approximately US\$719.9 million (2023: approximately US\$2.0 billion). The decrease of this total amount was mainly caused by the deconsolidation of Legend. As at December 31, 2024, the restricted cash of the Group amounted to approximately US\$17.9 million (2023: approximately US\$33.1 million). The decrease of restricted cash was mainly caused by the settlement of bills payable.

As at December 31, 2024, the Group had available unutilised bank facilities of approximately US\$577.6 million (2023: approximately US\$373.9 million).

As at December 31, 2024, the Group's current ratio (current assets to current liabilities) was 2.7 (as at December 31, 2023: 4.8); and gearing ratio (total liabilities to total assets) was 18.1% (as at December 31, 2023: 39.6%). The significant changes of the ratios are primarily driven by the deconsolidation of Legend.

After considering its current cash and cash flows from operating activities, as well as the credit facilities available to the Group, it is believed that the Group has sufficient capital to fund its future operations and for business expansion and general development purposes.

### **Treasury Policy**

The Group follows a set of funding and treasury policies to manage its capital resources and prevent risks involved. The Group invests surplus cash in the instruments issued by reputable and large-scale banks and financial institutions, only with reasonable expected return rates and controllable or predictable risks. The Group expects to fund its working capital and other capital requirements from a combination of various sources, including but not limited to necessary bank facilities.

To mitigate the risks arising from volatility of foreign exchange market and its impact to the Group's operation, the Group uses proper derivative instruments to hedge the foreign currency risks in the ordinary course of business, including foreign currency forward contracts and collar contracts, based on the cashflow forecast by currency.

### **Cash flow analysis**

During the Reporting Period, the Group's cash inflow from operating activities was approximately US\$75.6 million.

During the Reporting Period, the Group's cash outflow in investing activities was approximately US\$1.5 billion. This was mainly due to the (i) cash paid for the purchases of property, plant and equipment, other intangible assets and collaboration assets in the amount of approximately US\$197.0 million; (ii) net cash payment for the purchases of the financial assets in the amount of approximately US\$172.7 million; (iii) net cash payment for the purchases of time deposits in the amount of approximately US\$627.1 million; (iv) capital invested into a company and funds in the amount of approximately US\$6.2 million, and (v) net outflow of cash and cash equivalents due to the Deconsolidation in the amount of approximately US\$459.3 million.

During the Reporting Period, the Group's cash inflow from financing activities was approximately US\$66.5 million. This was mainly due to the (i) net cash received from bank loans in the amount of approximately US\$44.4 million, (ii) proceeds from exercise of share options by employees in the amount of approximately US\$13.5 million, (iii) payment for principal portion of lease payments in the amount of approximately US\$9.6 million, and (iv) net cash received from the release of cash pledged in the amount of approximately US\$17.8 million.

## Capital expenditure

During the Reporting Period, the expenditure of purchasing other intangible assets, particular for software, was approximately US\$1.2 million, the prepayment for collaboration right-of-use assets was approximately US\$49.1 million, and the expenditure of constructing and purchasing property, plant and equipment amounted to approximately US\$146.7 million.

## Significant investments held, material acquisitions and disposals

### *Significant investment in the key associate*

As at December 31, 2024, the Group held a significant investment in an associate company, Legend, with a carrying value of US\$3.7 billion representing approximately 69.2% of the total assets of the Group. The Group's share of loss of an associate from Legend was approximately US\$37.8 million in the Reporting Period.

The Legend is principally engaged in the discovery, development, manufacturing and commercialization of novel cell therapies for oncology and other indications. The Group intends to hold the abovementioned equity interests in the Legend as a long-term investment. Details of the financial information of Legend is set out in notes 8 and 12.

### *Significant investments in the financial assets*

As at December 31, 2024, significant investments held by the Group are as follows:

	<b>December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<i>US\$'000</i>	<i>US\$'000</i>
<b>Financial assets at fair value through profit or loss</b>		
<b>Current</b>		
Wealth management financial products (a)	224,851	105,282
Foreign currency forward and option contracts	-	342
Listed equity investment	23	21
	<u>224,874</u>	<u>105,645</u>
<b>Non-current</b>		
Wealth management financial products (a)	65,344	13,044
Unlisted equity investments (b)	23,299	18,825
	<u>88,643</u>	<u>31,869</u>
Total	<u><u>313,517</u></u>	<u><u>137,514</u></u>

The majority of the wealth management financial products we purchased during the Reporting Period were issued by banks and financial institutions in the Mainland China, Europe and the U.S., and mainly included the money market fund and credit linked notes with floating expected return rates ranging from 1.4% to 5.7% per annum and with maturity days between one day and about three years. These products did not guarantee the return of principals upon maturity. As at December 31, 2024, we preserved all our invested capital in these products and did not encounter any default by the issuing banks and institutions, and none of our investments was past due or impaired. The Group has redeemed those wealth management financial products at maturation and has no intention to dispose the investments in the long term. None of our investments had been pledged to secure our borrowings as at December 31, 2024.

As part of our treasury management plan, we have purchased wealth management financial products as an auxiliary mean to improve utilisation of our cash on hand in line with our cashflow forecast. We have made such purchases only when (i) we have surplus funds after we have fully considered the cash requirement of our operations for the future three to five years and allocated accordingly, and (ii) our management has carefully assessed the risks and benefits and decided to make such purchases (including, among others, the availability of certain wealth management financial products which have high liquidity and generate finance income meeting our standards).

All investments were made in low-risk, liquid and sound wealth management financial products, such as capital preservation products, fixed-income products and trust products with agreed yield expectations and adequate safeguards.

Any purchase and early redemption of our investments in wealth management financial products shall be reviewed and approved by chief finance officer of the Group or other authorised personnel based on internal approval authority matrix.

(a) Information in relation to the wealth management financial products\* as at December 31, 2024 are set out as follows:

<b>Item</b>	<b>Banks/Financial institutions</b>	<b>Product type/description</b>	<b>Original amount RMB or US\$</b>	<b>Investment cost US\$'000</b>	<b>Fair value as at December 31, 2024 US\$'000</b>
1.	China Merchants Bank	Non-guaranteed floating-income product	RMB135,000,000	18,780	18,785
2.	China Merchants Bank	Non-guaranteed floating-income product	RMB266,541,049	37,080	37,146
3.	China Merchants Bank	Non-guaranteed floating-income product	RMB302,080,000	42,023	42,328
4.	CITIC Securities Company Limited	Non-guaranteed floating-income product	RMB348,139,807	48,430	48,713
5.	CITIC Securities Company Limited	Non-guaranteed floating-income product	RMB161,750,882	22,501	22,730
6.	China CITIC Bank	Non-guaranteed floating-income product	RMB1,000,000	139	140
7.	JPMorgan Chase Financial Company LLC	Credit Linked Notes	US\$33,000,000	33,000	33,623
8.	J.P. Morgan Structured Products B.V.	Credit Linked Notes	US\$44,000,000	44,000	44,740
9.	J.P. Morgan Structured Products B.V.	Credit Linked Notes	US\$10,000,000	10,000	10,279
10.	CMB International Capital Corporation Limited	Money Market Fund	US\$31,538,609	31,539	31,711
<b>Total:</b>				<b>287,492</b>	<b>290,195</b>

\* The above wealth management financial products have been already aggregated based on issuing banks/financial institutions and underlying financial products.

(b) Information in relation to the unlisted equity instruments as at December 31, 2024 are set out as follows:

Name of investee company/fund	Principal business or investment scope	Nature of investment	Number of shares / units / amount of investments held	Percentage of total share capital/units owned by the Group as at December 31, 2024 %	Investment Cost US\$'000	Fair value as at December 31, 2024 US\$'000	Percentage to the Group's total assets as at December 31, 2024 %	Unrealised gain/(loss) on change in fair value for the year ended December 31, 2024 US\$'000
Yuanming Prudence SPC – Healthcare Fund I Segregated Portfolio	Fund investment	Investment in fund/securities	486.43	0.28	261	294	0.01	44
Panacea Venture Healthcare Fund I, L.P.	Fund investment	Investment in fund/securities	Not applicable	5.54	9,370	8,127	0.15	(1,239)
Shenzhen Emma Biotechnology Co., Ltd. (深圳艾碼生物科技有限公司)	Equity investment	Investment in corporation	Not applicable	3.96	1,113	1,600	0.03	-
AffyXell Therapeutics Co., Ltd.	Equity investment	Investment in corporation	113,637	0.97	810	535	0.01	(174)
Fund A**	Fund investment	Investment in fund/securities	Not applicable	43.81	3,574	3,456	0.06	(106)
Fund B**	Fund investment	Investment in fund/securities	Not applicable	90.91	3,833	4,044	0.08	28
7G BIOVENTURES I, L.P.	Fund investment	Investment in fund/securities	Not applicable	29.56	3,000	2,261	0.04	(213)
Hanx Biopharmaceuticals (Wuhan) Co., Ltd.	Equity investment	Investment in corporation	180,402	1.53	2,982	2,982	0.06	-
<b>Total:</b>					<b>24,943</b>	<b>23,299</b>	<b>0.44</b>	<b>(1,660)</b>

\*\*The Company is subject to strict confidentiality obligations under which the names of the funds cannot be disclosed to any third party. As at the date of this announcement, to the best knowledge of the Company, each of the general partners, limited partners, and their ultimate beneficial owners of Fund A and Fund B is an independent third party who is, to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, independent of and not connected with the Company and the connected person(s) (as defined in the Listing Rules) of the Company.

(Note) Given the value of investment in each financial asset at fair value through profit or loss does not constitute a notifiable transaction of the Company pursuant to Chapter 14 of the Listing Rules, as the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules), whether on a standalone or aggregate basis, are less than 5.0% of the total assets of the Group as of December 31, 2024, the Company has not prepared any analysis on their prospects.

During the Reporting Period, we recorded the investment gain at approximately US\$6.3 million and a fair value loss at approximately US\$0.3 million on the financial assets at fair value through profit or loss.

Save as disclosed above and in the announcement of the Company dated October 22, 2024, the Group did not have any other significant investments held, material acquisitions or disposals of subsidiaries and associated companies during the Reporting Period.

### **Bank loans**

As at December 31, 2024, the Group had short-term interest-bearing loans from Citibank, HSBC China, China Merchants Bank and China CITIC Bank, respectively, for a total amount of approximately RMB561.1 million (equivalent to approximately US\$78.0 million), with fixed interest rates ranging from 2.25% to 2.60% per annum. These loans were used for the daily operation of subsidiaries located in the Mainland China, of which approximately RMB270.7 million (equivalent to approximately US\$37.7 million) is secured by credit.

As at December 31, 2024, Zhenjiang ProBio Biotech Co., Ltd. (“**Probio Zhenjiang**”) had long-term interest-bearing loans from China Construction Bank and Jiangsu Bank for a total amount of approximately RMB124.4 million (equivalent to approximately US\$17.3 million), with a floating interest rate at LPR (Loan Prime Rate) per annum, which were secured by the leasehold land held by Probio Zhenjiang. Such loans were used for the facility construction of Probio Zhenjiang.

As at December 31, 2024, the Group had short-term interest-bearing loans from China Merchants Bank in amount of approximately RMB53.7 million (equivalent to approximately US\$7.5 million) with a fixed interest rate at 1.95% per annum. Such loan was derived from discounting of bank notes.

As at December 31, 2024, the Group had a short-term interest-bearing loan from China Merchants Bank in amount of approximately RMB23.2 million (equivalent to approximately US\$3.2 million) with a fixed interest rate at 1.9% per annum. Such loan was derived from issuance of letters of credit.

Save as disclosed above, the Group did not have any other outstanding, unpaid bank loans and/or other borrowings.

### **Provision, contingent liabilities and guarantees**

The Group did not have any material provision, contingent liabilities or guarantees as at December 31, 2024.

### **No material adverse change**

The Directors confirm that there has been no material adverse change in the financial or trading position of the Group since December 31, 2024 and up to the date of this announcement.



## **Charges on group assets**

As at December 31, 2024, the leasehold of land located in Jiangsu, China of approximately RMB35.0 million (equivalent to approximately US\$4.9 million) was pledged by Probio Zhenjiang to secure a loan of approximately RMB124.4 million (equivalent to approximately US\$17.3 million).

As at December 31, 2024, bank balances of approximately US\$3.4 million were pledged as guarantee of certain financial products, of approximately US\$12.9 million were pledged as security deposits for rentals, and of approximately US\$1.6 million were pledged for the letters of guarantee to suppliers.

As at December 31, 2024, the properties acquired by Jiangsu Genscript Biotech Co., Ltd. and Probio Zhenjiang amounted to approximately RMB229.8 million (equivalent to approximately US\$32.0 million) were pledged to an affiliate of the Series B Investor of Probio (as defined in the announcement of the Company dated July 4, 2022) so as to secure the performance of the redemption obligation of the Company and Probio Cayman. Please refer to the announcements of the Company dated June 29, 2022 and July 4, 2022 for details.

Save as disclosed above, the Group did not have any other material charges over its assets as at December 31, 2024.

## **Subsequent events**

As at December 31, 2024 and up to the date of this announcement, the Group had no significant subsequent events which needs to be disclosed.

## **Future plans for material investments or capital assets**

For life-science services and products, to solidify our position as an industry leader, the Group plans to continue expanding our manufacturing footprint in the U.S., Singapore, and Mainland China, including (i) expansion of molecular biology and protein production capabilities globally, and (ii) enhancement of GMP-grade manufacturing capacity to support key reagent production in the cell and gene therapy (“CGT”) supply chain.

For biologics development services, the Group continues to expand viral vectors production at the U.S. facility with additional production lines starting in late 2024 to better serve U.S. and European customers.

For industrial synthetic biology products, the Group plans to further optimise our manufacturing facility and expand manufacturing capacity in Mainland China, in order to support the growing business needs in the future. We are also planning to expand our synthetic biology laboratories in order to enhance our R&D capabilities.

The Group also plans to invest in upgrading supply chain and IT infrastructures as well as other supporting functions to improve operating efficiency and accommodate the strong business growth.

Save as disclosed above, there was no other specific plan for material investments or capital assets as at December 31, 2024.

The Group has sufficient resources in the form of cash and cash equivalents, time deposits and other financial assets to support the planned capital investments.

## **RISK MANAGEMENT**

### **Foreign exchange risk**

The Group conducts business in several countries and region and transacts in multiple foreign currencies. The Group seeks to limit its exposure to foreign currency risk by closely monitoring and minimising its cash outflow position of non-U.S. dollars. Since January 2019, the Group has engaged in a series of forward and option contracts to manage the Group’s currency risk, which are usually placed and adjusted quarterly. The Group may choose not to hedge certain foreign exchange exposures due to immateriality, prohibitive economic cost of hedging particular exposures, or limited availability of appropriate hedging instruments. The Group currently focuses on the management of our exposure to foreign exchange risk in relation to RMB, aiming to control foreign exchange risk to an acceptable level by ensuring that we will only consider hedging operational flows. We attempt to limit counterparty risk by executing foreign exchange contracts with only reputable financial institutions and banks.

As at December 31, 2024, the Group had outstanding foreign currency forward and option contracts in respect of U.S. dollar against RMB of notional principal amounts of approximately US\$8.2 million (as at December 31, 2023: approximately US\$60.0 million). The management of the Company will continue to evaluate the Group's foreign exchange risk management procedures and take actions as appropriate to minimise the Group's exposure whenever necessary.

The foreign currency forward and option contracts are derivatives and are recorded at fair market value. The changes in fair value of them were recognised in the consolidated statement of profit or loss. All of the foreign currency forward and option contracts are to be settled within one year.

### **Cash flow and fair value interest rate risk**

As at December 31, 2024, other than bank balances with variable interest rates and time deposits with fixed interest rates, the Group has financial products of approximately US\$287.5 million related to fair value interest rate risk. The Group is also exposed to fair value interest rate risk in relation to lease liabilities and cash flow interest rate risk in relation to variable-rate bank loans and other borrowings. The Company currently does not enter into any hedging instrument for both of the fair value interest rate risk and cash flow interest rate risk.

The sensitivity analysis for fair value interest rate risk is prepared on the exposure to financial assets at the end of the Reporting Period. If the interest rates had been 50 basis points higher or lower and all other variables were held constant, our pre-tax loss would have been approximately US\$1.4 million lower or higher for the Reporting Period.

The sensitivity analysis for cash flow interest rate risk is prepared on the exposure to interest rates for interest-bearing bank loans at the end of the Reporting Period. If the interest rates had been 50 basis points higher or lower and all other variables were held constant, our pre-tax loss would have been approximately US\$0.5 million higher or lower for the Reporting Period.

### **Credit risk**

The carrying amounts of cash and cash equivalents, trade and other receivables and other current assets are the Group's maximum exposure to credit risk in relation to its financial assets. The objective of the Group's measures to manage credit risk is to control potential exposure to recoverability problems.

In respect of trade and other receivables, individual credit rating is performed on customers and counterparties. These evaluations focus on the counterparty's business performance, including but not limited to, financing activities, financial position, market economic environment, and past history of payment punctuality. Prepayment requirement is determined and credit limit is granted based on the credit rating and historical contracting amount, which will be reviewed quarterly. Monitoring procedures have been implemented to ensure that follow-up actions will be taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual transaction and account's revenue volume, outstanding balances, long-time past due invoices and payment records monthly to ensure that adequate impairment losses are made for irrecoverable amounts.

### **Risk Related to geopolitical factors, international trade agreements, tariffs and import/export regulations, and export control and sanctions**

In recent years, there have been more material uncertainties arising from geopolitical factors, including international trade agreements, tariffs and import/export regulations as well as export control and sanctions. In order to mitigate this risk, the Group has continuously diversified the global manufacturing footprint and supply chain partners.

#### **(i) Change in tariff, export & import regulations**

US-China trade tension remains palpable. Recently, both the China and the U.S. imposed new tariff on goods from the other. If additional burdens or restrictions were imposed on international trade that negatively affect the ability of both countries to import and export goods and services, it may lead to a decline in material supply and demand of the Group's services. In order to mitigate this, the Group has continuously increased the layout of global service capacities.

#### **(ii) Export controls and economic sanctions**

As the international trade regulatory environment in the United States, Europe and other countries/regions grows increasingly tightened, additional regulatory measures may be imposed by sanctions, import and export controls, and other trade control laws and regulations in the U.S. and abroad. We have been keeping a close eye on the change of the regulatory rules from various regulatory authorities/jurisdictions and constantly updating and improving our programs and policies to mitigate the potential compliance risks.

To mitigate aforesaid risks, effective from February 5, 2025, the Board of the Company has established the Sub-Committee on Data Security and Geopolitical Resilience as a sub-committee of the Risk Management and ESG Committee for the purpose of, among others, supporting the Board in reviewing the effectiveness of the Company's risk management in respect of geopolitical risks and other relevant risks. The Group is aware of and has continuously kept monitoring the latest development of the trend and adopted appropriate measures accordingly.

## IMPORTANT EVENTS

In order to align with the latest regulatory requirements in relation to the expanded paperless listing regime and the electronic dissemination of corporate communications by listed issuers and the relevant amendments made to the Listing Rules which took effect from December 31, 2023, on June 21, 2024, the fourth amended and restated memorandum of association and the fourth amended and restated articles of association (the “**M&A**”) of the Company was adopted by a special resolution of the Shareholders. Please refer to the announcements of the Company dated April 12, 2024 and June 23, 2024, the circular dated April 22, 2024 and the M&A displayed on June 24, 2024 on the websites of the Stock Exchange and the Company for details.

Following the Termination of the Discretionary Proxy (as defined in the announcement of the Company dated October 22, 2024), Legend and its subsidiaries are derecognised from the Group and are treated as an investment in associates of the Group. Accordingly, effective from October 18, 2024, (i) the assets and liabilities of Legend were derecognised from the consolidated statement of financial position of the Group, (ii) the retained investment in Legend is recognised at its fair value, and (iii) the gain or loss associated with the loss of control attributable to the former controlling interest was recognised. Please see the announcement of the Company dated October 22, 2024 for details.

Nanjing Probio Biotech Co., Limited (“**Probio Nanjing**”), a non-wholly owned subsidiary of the Company, entered into a restated and amended license agreement (the “**License Agreement**”) with LaNova Medicines Ltd. (“**LaNova**”). Pursuant to the License Agreement and a confirmation issued by LaNova to the Company and Zhenjiang Probio, a non-wholly owned subsidiary of the Company, Probio Nanjing agrees to grant to LaNova an exclusive, worldwide and transferable license, with the right to grant sublicense, under certain patents which disclose anti-PD-1 single domain antibodies, and Probio Nanjing and Probio Zhenjiang will be entitled to certain upfront payment and milestone payments from LaNova under the License Agreement. Please see the announcement of the Company dated November 15, 2024 for details.

Legend made significant progress in the clinical and commercialisation of cilta-cel, whose trade name is CARVYKTI, during the Reporting Period, including: (i) The European Medicines Agency Committee and The U.S. Food and Drug Administration approved CARVYKTI label expansion in earlier lines of treatment for adult patients with relapsed and lenalidomide-refractory multiple myeloma; and (ii) Legend and Johnson & Johnson enter into Master Manufacturing and Commercial Supply Services Agreement with Novartis Pharmaceuticals Corporation; (iii) CARVYKTI generated approximately US\$963 million in net trade sales during the Reporting Period; (iv) medicines and healthcare products regulatory agency approved CARVYKTI<sup>®</sup> in earlier lines of treatment for adult patients with relapsed and lenalidomide-refractory multiple myeloma; (v) CARVYKTI demonstrates positive overall survival results in second interim analysis of CARTITUDE-4 study; (vi) the National Medical Products Administration of China approved the New Draft Application for ciltacabtagene autoleucel (cilta-cel) made by Nanjing Legend Biotech Co., Ltd. Please refer to the announcements of the Company dated January 23, 2024, April 1, 2024, April 8, 2024, April 16, 2024, April 23, 2024, July 2, 2024, July 17, 2024, August 9, 2024, August 27, 2024 and January 25, 2025 for details.

## **PROSPECTS**

The life science business remains as the foundation of the Group's success. Since our inception in 2002, we have continuously innovated and revolutionized our services to enhance accessibility, affordability, and quality for scientists worldwide. Having served over 225,100 customers across over 100 countries, we have made a profound impact in vaccine development, antibody therapeutics, gene and cell therapy, diagnostics, and agriculture. Moving forward, we will continue to enhance our leadership through well-defined, market-driven initiatives. We will reinforce our commitment to advancing science and expanding our global footprint while fostering an agile and high-performing marketing organisation.

Biotech funding began to return to the U.S. and European CDMO markets in 2024 while the APAC market continue to face strong headwinds with regards to both funding and price erosion due to competition. Geopolitical uncertainty in the U.S. will continue to be a challenge for our business outside of China. Despite these challenges, we achieved approximately US\$135 million in new sales in 2024, driven by our customer-centric approach focused on excellent service and supply chain resiliency. In 2024, we continued to make significant strategic investments, including the acquisition of plasmid and viral vector production capacity in the U.S. This move aims to help customers mitigate supply chain risks and data storage/protection concerns. Looking ahead to 2025, the biologics and CGT CDMO market is expected to grow driven by expanding biologics pipelines, increasing CGT approvals, and adoption of risk-sharing business models. We will continue to invest if commercial excellence and innovation, differentiating our services and solutions to gain market share and accelerate growth.

After years of dedicated efforts on product optimisation and production efficiency improvements, Bestzyme has successfully achieved healthy growth and profitability. We are also developing new synthetic biologic products to explore potential business opportunities in new areas. We believe synthetic biology will serve more industrial applications with health and environmental benefits.

The company retains a substantial interest in Legend following its deconsolidation. We anticipate holding our investment in Legend for the long term, as we believe that Legend's operation will generate greater value for the Company and its shareholders in the future.

## **DEVELOPMENT STRATEGIES**

The Group remains committed to a three-pronged growth strategy focused on capital allocation, efficiency improvement, and risk mitigation.

We will further strengthen our portfolio strategy and drive our differentiation in market by aligning with staying ahead of industry trends. In addition to expanding R&D investment and accelerating AI-driven innovations, we will continue improving operational efficiency via digital transformation and lean management. Importantly, we will continue to expand capacities globally to deliver products and services to customers more reliably with more accelerated turnaround time. Accelerating our marketing capabilities, this group will be transformed by reinforcing our market presence and broader business objectives.

In the biologics CDMO segment, we remain committed to enhancing our capabilities with unwavering integrity, innovation, and customer centricity. We are pursuing a multi-faceted strategy to achieve this goal, which include expanding our commercial resources and manufacturing capabilities in the North American market. We are also committed to continuously upgrading our technical capabilities through innovation, ensuring we stay at the forefront of biologics development and manufacturing. We are continuing to enrich our robust, global quality management system to maintain the highest standards of quality and regulatory compliance. Finally, we uphold rigorous data integrity governance and information security practices to safeguard our customers' intellectual property and trade secrets.

In the synthetic biology segment, we are committed to shaping Bestzyme into one of the leading synthetic biology solution providers by continuing investment in research and development, expanding target markets and optimizing production efficiency. In future, the Group will leverage our gene editing technology, large-scale industrial fermentation and metabolic engineering technology to strengthen Bestzyme's competitiveness in the synthetic biology industry.

In the cell therapy business, Legend will continue to push forward its pipeline programs through its internal resources as well as collaborations with its partners. Legend continues to engage with potential partners for further business development opportunities.

## EMPLOYEES AND REMUNERATION POLICIES

As at December 31, 2024, the Group had a total of approximately 5,568 employees. The decrease in the number of employees, compared with last year, is due to Legend no longer being a subsidiary of the Company as a result of the Deconsolidation. Consequently, Legend's employees are no longer included in the Group's total headcount. The Group had entered into employment contracts covering positions, employment conditions and terms, compensation, responsibilities for breach of contractual obligations, and reason for termination with its employees. The remuneration package of the Group's employees includes basic salary, subsidies, other employee benefits, short-term and long-term incentives, which are determined with reference to their capability, responsibility, performance, and other general factors.

During the Reporting Period, the Group's total expenses (excluding equity-settled share-based compensation expense) on the remuneration of employees (including the Directors and the chief executives) was approximately US\$264.7 million, representing approximately 44.5% of the total revenue of the Group, which was mainly attributable to the Group's belief in this necessary long-term investment in our talents pool. This investment has demonstrated the Group's desires and resolutions to continue to strengthen its talent uplifting strategy. This talent uplifting strategy not only involves the recruitment of experienced professional and managerial personnel to fulfill the front-line posts of R&D, commercial and production functions, but also systematically increases the overall salary and benefits packages to sustain the stability of the employees to drive for long-term commitment and performance improvement as well. The number of employees of the Group categorized by function as at December 31, 2024 is set forth as follows:

<b>Function</b>	<b>Number of employees</b>	<b>Percentage of Total</b>
Production	2,986	53.6%
Sales and marketing	622	11.2%
Administration	733	13.2%
Research and development	493	8.8%
Management	734	13.2%
Total	5,568	100.0%

The Group's remuneration policy and structure for remuneration of the Directors and senior management of the Group are based on the Group's operating results, individual performance and comparable market statistics and are reviewed by the remuneration committee of the Company (the "**Remuneration Committee**") periodically.



The remuneration of the non-executive Directors is recommended by the Remuneration Committee and is decided by the Board, while the remuneration of the executive Directors and senior management members is determined by the Remuneration Committee, having regard to their merit, qualifications and competence, the Group's operating results and comparable market statistics.

## **SHARE SCHEMES**

### **Share Option Schemes**

The Company adopted the pre-IPO share option scheme (the “**Pre-IPO Share Option Scheme**”) on July 15, 2015 and the post-IPO share option scheme (the “**Post-IPO Share Option Scheme**”, together with the Pre-IPO Share Option Scheme, the “**Share Option Schemes**”) on December 7, 2015 (as amended on June 21, 2024).

No further options have been granted pursuant to the Pre-IPO Share Option Scheme since the listing of Company on the Stock Exchange. During the Reporting Period, no options have been granted under the Post-IPO Share Option Scheme.

### **Restricted Share Award Schemes**

The Company adopted the restricted share award scheme (the “**2019 RSA Scheme**”) on 22 March 2019 (as amended on June 21, 2024) and the restricted share award scheme on 23 August 2021 (as amended on May 26, 2022 and June 21, 2024) (the “**2021 RSA Scheme**”, together with the 2019 RSA Scheme, the “**RSA Schemes**”).

During the Reporting Period, 1,219,801 restricted shares were granted and accepted under the 2019 RSA Scheme on June 12, 2024. Please refer to the announcement of the Company dated June 13, 2024 for details. Save as disclosed, no other restricted shares have been granted under the 2019 RSA Scheme during the Reporting Period.

During the Reporting Period, 444,598 restricted shares, 11,450,843 restricted shares, 68,054 restricted shares, 244,121 restricted shares and 814,302 restricted shares were granted under the 2021 RSA Scheme on March 13, 2024, June 12, 2024, July 8, 2024, August 19, 2024 and November 19, 2024, respectively. Please refer to the announcements of the Company dated March 13, 2024, June 13, 2024, July 8, 2024, July 9, 2024, August 19, 2024 and November 19, 2024 for details. Among 11,450,843 restricted shares granted on June 12, 2024, a total of 70,335 restricted shares were not accepted by the relevant grantees. Save as disclosed, no other restricted shares have been granted under the 2021 RSA Scheme during the Reporting Period.

For details regarding the share schemes adopted by the Company, please refer to the section headed “Share Schemes” of the Company’s annual report.

## **FINAL DIVIDEND**

In order to retain resources for the Group’s business development, the Board did not recommend the payment of final dividend for the year ended December 31, 2024.

## **PURCHASE, REDEMPTION OR SALE OF THE LISTED SECURITIES**

During the Reporting Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities (including sale of treasury shares).

## **CORPORATE GOVERNANCE PRACTICES**

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to The Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) (as in effect from time to time) as its own code of corporate governance.

The Company has complied with all the applicable code provisions as set out in the CG Code during the Reporting Period and up to the date of this announcement.

The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

## **MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted its own Code for Securities Transaction by Directors and Specified Individuals (the “**Model Code**”) on terms no less exacting than the required standard set out in the Model Code as set out in Appendix C3 of the Listing Rules. Specific inquiry has been made to all the Directors and each of the Directors has confirmed that he/she has complied with the Model Code during the Reporting Period.

The Model Code is also applicable to the Company’s relevant employees who are likely to be in possession of unpublished inside information of the Company in respect of their dealings in the Company’s securities. No incidents of non-compliance with the Model Code by the Directors and the relevant employees of the Company were noted by the Company during the Reporting Period.

## **AUDIT COMMITTEE**

The Company has established an audit committee (the “**Audit Committee**”). The Audit Committee currently comprises four members, namely, Mr. Zumian Dai (chairman of the Audit Committee), Mr. Jiuan Pan, Mr. Yiu Leung Andy Cheung, and Dr. Alphonse Galdes, all being independent non-executive Directors. The principal duties of the Audit Committee are (i) to review and monitor the Company’s financial reporting system, risk management and internal control systems, (ii) to maintain the relations with the external auditor of the Company, and (iii) to review the financial information of the Company.

The Audit Committee has, together with the management and external auditors, reviewed the accounting principles and practices adopted by the Group and the annual results for the year ended December 31, 2024.

## **SCOPE OF AUDITOR’S WORK ON ANNUAL RESULTS ANNOUNCEMENT**

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of cash flows and the related notes thereto for the Reporting Period as set out in this preliminary announcement have been agreed by the Company’s auditor to the amounts set out in the Group’s audited consolidated financial statements for the year. The auditor made no comments as to the reasonableness or appropriateness of those assumptions of the “adjusted net profit/(loss)” as presented in the preliminary announcement. The work performed by the Company’s auditor in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the Company’s auditor on this preliminary announcement.

## **ANNUAL GENERAL MEETING**

The forthcoming annual general meeting (the “AGM”) of the Company is scheduled to be held on Thursday, May 29, 2025. A notice convening the AGM will be issued and disseminated to the shareholders of the Company in due course.

## **CLOSURE OF REGISTER OF MEMBERS**

In order to determine the entitlement of shareholders to attend and vote at the forthcoming AGM to be held on Thursday, May 29, 2025, the register of members of the Company will be closed from Monday, May 26 2025 to Thursday, May 29 2025 (both dates inclusive), during which period no transfer of shares will be registered. All transfer documents, accompanied by the relevant share certificates, shall be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Friday, May 23, 2025.

## **PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND 2024 ANNUAL REPORT**

This annual results announcement is published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.genscript.com](http://www.genscript.com)), and the 2024 annual report containing all the information required by the Listing Rules will be dispatched to the shareholders of the Company and published on the respective websites of the Stock Exchange and the Company in due course.

## **ANNUAL REPORT FOR THE FULL YEAR OF 2024 BY A LISTED ASSOCIATE — LEGEND BIOTECH CORPORATION**

Legend, an associate of the Company, whose shares are listed by way of ADSs on the NASDAQ Global Select Market in the U.S., will issue annual report for the full year of 2024. The annual report will be available at the website of Legend at <https://investors.legendbiotech.com/press-releases> after the issuance.

## ACKNOWLEDGEMENT

The steady development of the Group has always been trusted and supported by the Shareholders, investors and business partners of the Company as well as the loyalty of our staff members. On behalf of the Board, I express my heartfelt gratitude.

By order of the Board  
**Genscript Biotech Corporation**  
**Robin MENG**  
*Chairman and Executive Director*

Hong Kong, March 12, 2025

*As at the date of this announcement, the executive Directors are Dr. Fangliang Zhang (“**Dr. Frank Zhang**”), Mr. Jiange Meng (“**Mr. Robin Meng**”), Ms. Ye Wang (“**Ms. Sally Wang**”) and Dr. Li Zhu; the non-executive Director is Dr. Luquan Wang (“**Dr. Larry Wang**”); and the independent nonexecutive Directors are Mr. Zumian Dai (“**Mr. Edward Dai**”), Mr. Jiuan Pan (“**Mr. Ethan Pan**”), Mr. Yiu Leung Andy Cheung, Dr. Chenyang Shi (“**Dr. Victor Shi**”), Dr. Alphonse Galdes, Dr. Ross Grossman and Dr. John Quelch.*

\* *For identification purposes only*