WUXI XDC CAYMAN INC.

藥明合聯生物技術有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2268)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2025

FINANCIAL HIGHLIGHTS

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

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

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

Notes:

(1) The Group defines "adjusted net profit before interest income and expense attributable to owners of the Company" as net profit attributable to owners of the Company after elimination of share-based compensation expense, interest income (including interest income from bank balances, short-term bank deposits and time deposits) and interest expense from borrowings as a non-operating item. It is a non-IFRS measure intended to supplement to the Group's interim results prepared in accordance with IFRS and is not intended to be considered in isolation or as a substitute for IFRS net profit of the Company.

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

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group continued to experience rapid and robust business growth in the first half of 2025, building upon the strong foundation achieved in 2024. As a leading player in the thriving, innovative global bioconjugates industry, the Group aims to maintain its rapid business growth by providing world-class bioconjugates CRDMO services and empowering its global partners to accelerate and transform ADC and broader bioconjugate development.

The Group's CRDMO business extended strong momentum throughout the first half of 2025 with continuous active business expansion and increased demand from customers globally for its services. As at June 30, 2025, the Group has cumulatively served 563 customers worldwide via the provision of integrated services backed up by its comprehensive CRDMO capabilities and facilities equipped with "All-in-One" capabilities spanning from drug discovery to commercialization. Cumulatively, the Group has successfully secured 11 process performance qualifications ("**PPQ**") projects and 1 commercial stage project.

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

To ensure that the Group is well-positioned to continuously grow its market share as well as to capture the rapidly increasing global demands for bioconjugates CRDMO services, it had continued to expand its manufacturing capacities and acquire talents throughout the Reporting Period. The GMP release of the XDP3 facility, the Wuxi site expansion (including the ongoing construction of the XDP5 facility) and the construction of the new site in Singapore by the Group are making solid progress as planned, which will bring additional mAb, DS and DP production lines, laboratories and office space upon completion.

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

Overall Performance for ADC CRDMO

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

- Revenue for the six months ended June 30, 2025 increased by 62.2% period-on-period to RMB2,700.9 million.

- Gross profit for the six months ended June 30, 2025 increased 82.2% period-on-period to RMB975.2 million.

- Adjusted net profit before interest income and expense attributable to owners of the Company*(Note)* for the six months ended June 30, 2025 increased by 69.6% period-on-period to RMB732.6 million.

- Adjusted net profit including interest income and expense attributable to owners of the Company*(Note)* for the six months ended June 30, 2025 increased by 50.1% period-on-period to RMB800.8 million.

- Net profit for the six months ended June 30, 2025 increased by 52.7% period-on-period to RMB745.7 million.

- 37 integrated projects were newly signed during the Reporting Period.

- 3 new PPQ projects were added during the Reporting Period.

- The total number of integrated projects increased from 167 as at June 30, 2024 to 225 as at June 30, 2025.

- The total number of ongoing post-IND projects increased from 76 as at June 30, 2024 to 103 as at June 30, 2025.

- The total number of phase II and beyond projects increased from 29 as at June 30, 2024 to 37 as at June 30, 2025. Among these projects, 11 PPQ projects and 1 commercial stage project were scheduled within the Group's site in Wuxi, China as at June 30, 2025.

- The Group also moved forward 59 projects from discovery to iCMC stage cumulatively during the Reporting Period.

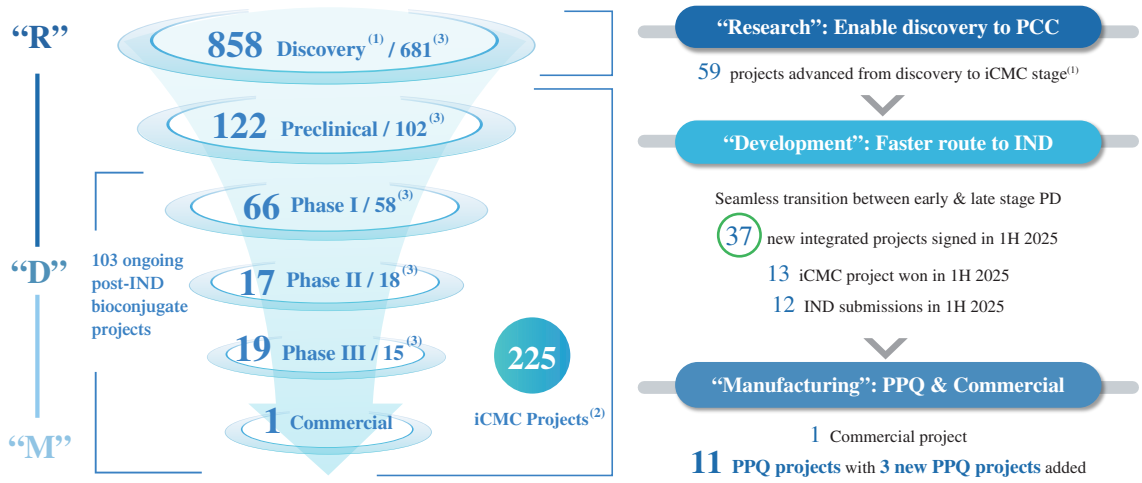
- The cumulative total number of drug discovery stage projects executed by the Group since inception increased from 538 as at June 30, 2024 to 858 as at June 30, 2025.

- The Group's effective execution of the "win the molecule" strategy cumulatively brought 80 external projects into the pipeline since the inception of the Group.

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

The following funnel diagram sets forth the developmental stages and other details of ongoing integrated projects as at June 30, 2025. From its inception through June 30, 2025, the Group has executed a cumulative total of 858 discovery projects. These discovery projects are regarded as strategic and critically important project inflow for the Group, as they help facilitate the establishment of long-term customer relationships with such clients and are expected to be instrumental in winning integrated projects for the Group in the future. As of June 30, 2025, the Group had 225 ongoing integrated projects.

Number of Projects Through " *Enable – Follow – Win* " Strategy



Notes:

1 Cumulative number of projects since the Group's inception and as at June 30, 2025.

2 As at June 30, 2025, the number of ongoing integrated CMC projects, excluding projects with no revenue contribution in the past 30 months.

3 The small-sized figures account for the number of projects as at December 31, 2024, save for the number of projects at discovery stage which is cumulative from the Group's inception up until December 31, 2024.

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

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

Notes:

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

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

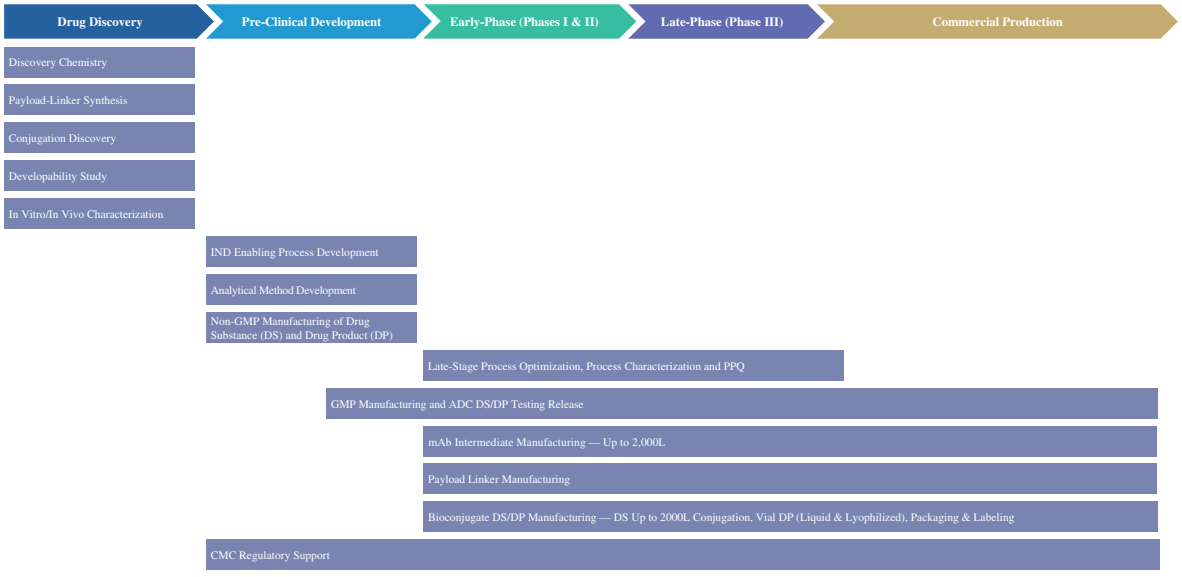
3. "Number of ongoing projects" is the number of integrated projects excluding the number of integrated projects that are inactive or for which the customers notify the Group that they do not intend to further pursue. An integrated project is deemed inactive if the Group has not been requested to provide services in the past 30 months.

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

The Group's revenue for the six months ended June 30, 2025 increased by 62.2% period-on-period to RMB2,700.9 million, together with a 82.2% period-on-period growth in gross profit to RMB975.2 million, and a 50.1% period-on-period increase in adjusted net profit including interest income and expense attributable to owners of the Company to RMB800.8 million. The Group's total backlog also increased by 57.9% from US$841.7 million as at June 30, 2024 to US$1,329.0 million as at June 30, 2025. The revenue to be generated from the backlog may take longer to receive at various development stages as it depends on the success rate and progress of the projects which may not be within the Group's control.

The Group's Services

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



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

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

Drug Discovery and Process Development

Drug Discovery

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

The Group has a cumulative total number of 858 projects in the drug discovery stage since inception through June 30, 2025, involving (i) discovery chemistry, (ii) conjugation discovery, (iii) in *vitro* and in *vivo* characterization, and (iv) developability study, being 320 projects more than the 538 projects as at June 30, 2024. Drug discovery projects are of fundamental strategic importance, as they enable the Group to establish and deepen relationships with client teams that are conducting cutting-edge research, which is expected to provide the Group with an increasing number of opportunities to compete for and win more cutting-edge XDC projects in addition to traditional ADC projects.

Early-stage Process Development

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

As at June 30, 2025, the Group has a total of 188 projects in the preclinical and phase I process development phase, involving (i) bioconjugate drug substance development, (ii) bioconjugate formulation process development, and (iii) analytical method development, being 50 projects more than the 138 projects as at June 30, 2024.

Late-stage Development and Process Validation

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

As at June 30, 2025, the Group has a total number of 37 projects in phase II and beyond development and process validation, involving process optimization, process characterization and performance qualification, being 8 projects more than the 29 projects as at June 30, 2024. The increase in the number of projects was primarily due to the implementation of the "enable, follow and win the molecule" strategies, which has enabled several early-stage projects to advance into later stages and won new projects during the Reporting Period.

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

The Group offers both non-GMP and GMP-compliant manufacturing of bioconjugate drug substance and drug product to cater to its customers' varied needs from the preclinical stage to the post-IND stage. It provides manufacturing services at different scales, including laboratory scale, non-GMP pilot scale and cGMP-compliant commercial scale, to support its customers' non-clinical, clinical and commercialization needs.

As at the date of this announcement, the Group operates domestic sites in Shanghai, Wuxi and Changzhou in China and offers fully integrated and end-to-end bioconjugates CRDMO service capabilities from drug discovery to commercialization, making the Group globally the leading CRDMO dedicated to ADCs and other bioconjugates that provides full-spectrum services. The Group is able to better coordinate its development and manufacturing operations, manage the supply chain and ensure seamless technology transfer and quality assurance as compared to a typical fragmented third-party service network with services provided from geographically dispersed locations.

Over the course of its business development, the Group has been continuously expanding its manufacturing facilities in both Wuxi, China and Singapore. As at the date of this announcement, the XDP3 facility at the Wuxi site has launched GMP operation as scheduled. The existing facilities ramped up faster than originally anticipated and attained a 100% delivery success rate with the Group's efforts dedicated to delivering high-quality deliverables to global clients. The XDP5 facility in Wuxi, China is currently under construction and expected to commence operation in 2027.

The Group's facility in Singapore also achieved the milestone of mechanical completion in June 2025 and has officially moved into the facility C&Q (Commissioning and Qualification) stage. The Singapore site is expected to commence GMP manufacturing in 2026. It is anticipated that there will be four production lines at the Singapore site providing comprehensive manufacturing capabilities from preclinical stage to commercialization, including a dual function production line for antibody intermediates for bioconjugates and drug substance, a production line for drug substance, as well as one drug product manufacturing line.

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

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

Site	Site Area (sq.m.)	Capacity
Changzhou	819	**Payload Linker** • Laboratory with a field-tested containment design to safely handle highly potent compounds that are designated as OEB (occupational exposure band) 5-rated materials. • Equipped with reaction kettles for GMP-compliant production with capacity of up to 150 liters per batch, enabling the Group to produce payloads and linkers at a kilogram scale.
Shanghai Waigaoqiao	8,927	**Discovery Lab** • Laboratories for bioconjugate discovery and support functions. **Bioconjugate Process Development Lab** • Bioconjugate process development and analytical method development. Laboratory-scale sample preparation to pilot-scale manufacturing of ADCs and other bioconjugates.
Global facility		
Singapore	25,000	**Conjugation Drug Substance Production** • Dual function XmAb/XBCM3 facility is designed with capacity to produce 50 liters to 2,000 liters per batch for monoclonal antibody intermediates, or up to 2,000 liters per batch for bioconjugate drug substance and is expected to commence GMP manufacturing in 2026. • XBCM4 production line facility with capacity of up to 500 liters of bioconjugate drug substance per batch and is expected to commence GMP manufacturing in 2026. **Conjugation Drug Product Production** • The XDP4 facility is designed to produce eight million doses of bioconjugates per year in liquid or lyophilized form with 200 to 300 vials per minute for liquid or lyophilized drug products (8 million vials, lyophilizer 1x10 m^2 & 2x30 m^2) and is expected to commence operation in 2026.

CMC Regulatory Support

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

Fully Integrated R&D Technology Platform

The Group is committed to providing cutting-edge conjugation technology, payload-linker technology, early-stage R&D and process development services to meet the diversified needs of its customers. For novel conjugation technologies, the Group has launched the upgraded proprietary version of the WuXiDARx™ technology, which potentially improves the homogeneity of ADC drugs with flexible DAR choices, enhances process stability, reduces drug development costs, enables more accurate assessment of the ADC clinical efficacy and better safety profile, and broadens the possibilities of different desired DARs of ADC drugs. As at June 30, 2025, the proprietary WuXiDARx™ platform has successfully facilitated customers to bring 7 ADC pipelines from preclinical stage to clinical stage.

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

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

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

Quality Management

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

All manufacturing operations of the Group are conducted in accordance with the GMP regulations of the FDA, the EMA and the NMPA. As at June 30, 2025, the Group has completed more than 160 GMP audits from global clients, including 16 audits by EU Qualified Persons (EU QP). The Group believes that these certificates will help manifest the Group's premier quality system that meets global quality standards.

Achievements and Company Awards

The Group was ranked No. 2 globally and No. 1 in China among CRDMOs for ADCs and other bioconjugates in terms of revenue in 2022, according to Frost & Sullivan. The Group employs an "enable, follow and win the molecule" strategy to not only grow with its existing customers by providing services from an early stage of their product development cycle, but also win new customers as their bioconjugates progress. As at the end of the Reporting Period, the Group had cumulatively progressed 54 ADC projects and 5 non-ADC projects from discovery to CMC development, and the Group had won 80 projects to its platform cumulatively.

The Group's diverse and growing customer base includes both innovative biotechnology companies and global pharmaceutical companies, many of which are leading players in the ADC and bioconjugate space with potentially first-in-class or best-in-class pipeline programs. The number of customers grew significantly from 419 as at June 30, 2024 to 563 as at June 30, 2025.

As at June 30, 2025, 13 out of the top 20 global pharmaceutical companies[1] partnered with the Group to develop ADCs or XDCs, which comprises approximately 32.8% of the Group's total revenue in the six months ended June 30, 2025.

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

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

Investor Relations

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

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

Environmental, Social and Governance

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

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

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

Future Outlook

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

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

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

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

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

  The Group intends to continue investing in cutting-edge technologies and to enhance its R&D capabilities, so that it will remain at the technological frontier and continue to deliver high quality results to its customers. For instance, the Group is strategically devoted to developing and upgrading in-house conjugation technologies and advanced payload-linker technologies, and ultimately to enhance therapeutic potential of ADCs.

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

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

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

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

  The Group will continue to expand its global footprint and capacity infrastructure. With operations expected to commence at the Singapore site by late 2025 and GMP manufacturing in 2026, the Group believes that its expansion plan will allow further integration of manufacturing functions, expedite timelines and facilitate quality assurance, enabling the Group to keep pace with the growing global demand for bioconjugate CRDMO services. To address the growing demand for DP services and further solidify the integrated service capability, the Group achieved GMP release of XDP3 facility at the Wuxi site in July 2025. Moreover, XDP5 facility is currently under construction and is expected to commence GMP manufacturing in 2027. The Group also actively engaged in global talent acquisition, as it believes that talent retention is the key to excellence in the execution of plans and the further development of the Group.

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

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

FINANCIAL REVIEW

Revenue

The revenue of the Group increased by 62.2% from RMB1,665.2 million for the six months ended June 30, 2024 to RMB2,700.9 million for the six months ended June 30, 2025. This increase was primarily attributable to (i) the growth in the number of customers and projects, driven by continued active development of the global ADC and broader bioconjugates market, (ii) the increasing market share through the Group's established position as a leading ADC CRDMO service provider in that market, and (iii) the steady advancement of the Group's projects into later stages (which typically yield higher contract values).

Revenue by Geographic Coverage

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

	Six months ended June 30,			
	2025		2024	
Revenue[(1)]	***RMB'000***		*RMB'000*	
			(unaudited)	
— North America	**1,390,612**	**51.5%**	823,158	49.4%
— China	**484,613**	**17.9%**	435,167	26.1%
— Europe	**604,749**	**22.4%**	310,206	18.7%
— Others[(2)]	**220,895**	**8.2%**	96,668	5.8%
Total	**2,700,869**	**100.0%**	1,665,199	100.0%

Notes:

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

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

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

Revenue by Project Development Stage

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

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

Revenue from both pre-IND services and post-IND services increased during the Reporting Period, as compared to the same period in 2024, primarily due to the increase in the total number of projects, the number of projects that have progressed to late-stage development and the increase in production capacity to meet the increasing demand for the Group's CRDMO services.

Revenue by Project Type

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

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

As at June 30, 2025, the Group had 201 ADC integrated projects and 24 non-ADC integrated projects, accounting for respectively 89.3% and 10.7% of the total number of ongoing integrated projects as at the same date.

Cost of Sales

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

The cost of sales of the Group increased by 52.7% from RMB1,129.9 million for the six months ended June 30, 2024 to RMB1,725.6 million for the six months ended June 30, 2025, primarily due to increases in cost of raw materials, direct labor costs used in production and indirect production costs and overheads incurred in relation to antibodies master services, which are correlated with the Group's revenue growth.

Gross Profit and Gross Profit Margin

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

Selling and Marketing Expenses

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

The selling and marketing expenses of the Group increased by 105.0% from RMB23.9 million for the six months ended June 30, 2024 to RMB49.0 million for the six months ended June 30, 2025, primarily due to the Group's continued investments in its marketing activities and recruitment of selling and marketing talents, and an increase in share-based payment expenses during the Reporting Period.

Administrative Expenses

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

The administrative expenses of the Group increased by 42.9% from RMB75.5 million for the six months ended June 30, 2024 to RMB107.9 million for the six months ended June 30, 2025, primarily due to an increase in labor cost for the Group's increase in headcount and average compensation level of its administrative personnel and management.

Research and Development Expenses

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

The research and development expenses of the Group increased by 4.0% from RMB47.6 million for the six months ended June 30, 2024 to RMB49.5 million for the six months ended June 30, 2025, primarily due to (i) an increase in cost of raw materials as a result of increase in material procurement for research and development activities driven by strong business growth and (ii) an increase in R&D staff and compensation.

Finance Costs

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

The finance costs of the Group increased from RMB0.2 million for the six months ended June 30, 2024 to RMB7.7 million for the six months ended June 30, 2025, primarily due to an increase in interest expense on bank borrowings.

Other Income

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

The other income of the Group decreased by 10.7% from RMB136.4 million for the six months ended June 30, 2024 to RMB121.8 million for the six months ended June 30, 2025, primarily due to a decrease in interest income from banks.

Other Gains and Losses

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

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

Impairment Losses Under ECL Model, Net of Reversal

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

The Group recognized Impairment Losses of RMB3.2 million for the six months ended June 30, 2024, primarily due to the subsequent repayment of trade receivables by certain customers. The Group recognized Impairment Losses of RMB1.9 million for the six months ended June 30, 2025, primarily due to the increased trade and other receivable balance which are in line with the Group's revenue growth.

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

Income Tax Expense

The income tax expenses of the Group increased from RMB73.5 million for the six months ended June 30, 2024 to RMB121.4 million for the six months ended June 30, 2025, which is in line with the increment of profit before tax. The effective tax rate of the Group increased from 13.1% for the six months ended June 30, 2024 to 14.0% for the six months ended June 30, 2025, mainly due to business growth of the Group.

Net Profit and Net Profit Margin

As a result of the foregoing, the Group's net profit increased by 52.7% from RMB488.2 million for the six months ended June 30, 2024 to RMB745.7 million for the six months ended June 30, 2025. The significant growth in the Group's net profit during the Reporting Period is generally in line with the Group's revenue and business growth (after taking into account the effects of non-cash share-based compensation). The Group's net profit margin decreased from 29.3% for the six months ended June 30, 2024 to 27.6% for the six months ended June 30, 2025, primarily due to an increase in interest expense, a decrease in interest income and net foreign exchange loss.

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

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

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

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

Basic and Diluted Earnings Per Share

The basic earnings per share of the Group increased by 51.2% from RMB0.41 for the six months ended June 30, 2024 to RMB0.62 for the six months ended June 30, 2025. The diluted earnings per share of the Group increased by 50.0% from RMB0.38 for the six months ended June 30, 2024 to RMB0.57 for the six months ended June 30, 2025. The increase in basic and diluted earnings per share was primarily due to the increase in the net profit resulting from the strong business growth of the Group as discussed above.

Property, Plant and Equipment

The balance of the property, plant and equipment of the Group increased by 23.9% from RMB2,724.5 million as at December 31, 2024 to RMB3,376.5 million as at June 30, 2025, primarily due to (i) an increase in value of construction in progress as a result of the expansion of the Wuxi site and construction of the new facility at the Singapore site, (ii) an increase in leasehold improvements and (iii) an increase in machinery in connection with the Wuxi site.

Investment Property

The balance of investment property of the Group decreased by 1.7% from RMB12.0 million as at December 31, 2024 to RMB11.8 million as at June 30, 2025, primarily due to depreciation on a straight-line basis.

Goodwill

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

Intangible Assets

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

Intangible assets decreased by 9.2% from RMB44.7 million as at December 31, 2024 to RMB40.6 million as at June 30, 2025, following the regular amortization schedule during the Reporting Period.

Inventories

The inventories of the Group mainly include raw materials, pharmaceutical intermediates and consumables. The inventory level of the Group increased by 53.4% from RMB118.7 million as at December 31, 2024 to RMB182.1 million as at June 30, 2025, primarily representing inventory stocked up for the timely fulfilment of strong client demands and inventory consumed for the research and development and manufacturing activities.

Trade and Other Receivables

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

The trade and other receivables of the Group increased by 9.2% from RMB1,800.5 million as at December 31, 2024 to RMB1,965.6 million as at June 30, 2025, primarily attributable to receivables from contracts with third parties, which is in line with the business growth of the Group.

Contract Assets

Contract assets increased by 14.4% from RMB78.7 million as at December 31, 2024 to RMB90.0 million as at June 30, 2025, which is in line with the business growth of the Group.

Contract Costs

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

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

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

The financial assets at FVTPL primarily consisted of the investments in wealth management products of the Group. The Group had financial assets at FVTPL of RMB433.5 million as at December 31, 2024 and of RMB702.7 million as at June 30, 2025. This increase was primarily attributable to the Group placement of wealth management products during the Reporting Period.

Trade and Other Payables

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

The trade and other payables of the Group increased by 6.1% from RMB1,408.9 million as at December 31, 2024 to RMB1,494.9 million as at June 30, 2025, primarily due to the increases in trade payables for the purchase for raw materials and consumables, which are generally in line with the Group's business growth.

Contract Liabilities

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

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

Liquidity and Capital Resources

Bank balances and cash and time deposits increased by 8.4% from RMB3,539.8 million as at December 31, 2024 to RMB3,835.7 million as at June 30, 2025, primarily due to the cash used in investing for capital expenditures. Taking into account the financial resources available to the Group, the Directors are of the view that the Group has sufficient working capital to meet its present requirements.

Treasury Policy

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

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

Significant Investments, Material Acquisitions and Disposals

As at June 30, 2025, there was no significant investment held by the Company, nor were there any material acquisitions or disposals of subsidiaries, associates and joint ventures during the Reporting Period.

Indebtedness

Borrowings

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

Contingent Liabilities and Guarantees

As at June 30, 2025, the Group did not have any outstanding debt securities, mortgage, charges, debentures or other loan capital (issued or agreed to be issued), bank overdrafts, liabilities under acceptance or acceptance credits, or other similar indebtedness, material contingent liabilities, guarantees or any litigations or claims of material importance, pending or threatened against any member of the Group.

Currency Risk

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

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

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

Non-IFRS Measures

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

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

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

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

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

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

EBITDA and Adjusted EBITDA (non-IFRS measure)

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

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

Employee and Remuneration Policies

As at June 30, 2025, the Group employed a workforce totaling 2,270 employees. The staff costs, including Directors' emoluments but excluding any contributions to (i) retirement benefit scheme contributions; and (ii) share-based payment expenses, were RMB364.7 million for the six months ended June 30, 2025, as compared to RMB184.9 million for the six months ended June 30, 2024. The remuneration package of employees generally includes salary and bonus elements. In general, the Group determines the remuneration package based on the qualifications, position and performance of its employees.

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

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

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

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

Interim Dividend

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

OTHER INFORMATION

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

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

COMPLIANCE WITH THE MODEL CODE FOR SECURITY TRANSACTIONS

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

PROCEEDS FROM THE GLOBAL OFFERING AND ITS UTILIZATION

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

The net proceeds from the Global Offering received by the Company, after deduction of the underwriting fees and commissions and other expenses payable by the Company in connection with the Global Offering, amounted to approximately HK$3,936.9 million and the unutilized net proceeds were kept at the bank accounts of the Group as at June 30, 2025.

Details on the applications of the net proceeds from the Global Offering were disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus. As at June 30, 2025, there have been no material changes to the planned applications of the net proceeds. The following table sets out the planned applications of the net proceeds, net proceeds brought forward for the Reporting Period, actual usage up to and remaining amount as at June 30, 2025 as well as the expected timeline for utilization:

Intended use of net proceeds as stated in the Prospectus	**Planned applications** *HK$ million*	**Amount utilized up to June 30, 2025** *HK$ million*	**Net proceeds brought forward for the Reporting Period** *HK$ million*	**Remaining amount as at June 30, 2025** *HK$ million*	**Expected timeline for utilization**[(Note)]
Further expansion of the Group's service capability and capacity					
Construction of the Group's facilities at the Singapore site					
Establishment of the facilities at the Singapore site	1,299.2	1,299.2	262.9	–	By the end of 2026
Purchase manufacturing and R&D equipment and systems and recruit manufacturing, R&D and management personnel for the operation at the Singapore site	708.7	236.1	604.8	472.6	By the end of 2026
Expansion of the Group's production capacity in China					
Purchase manufacturing and R&D equipment and systems, such as bioreactors, steam sterilizers, capillary electrophoresis instrument and enzyme labeling apparatus, among others	354.3	–	354.3	354.3	By the end of 2026
Establishment, maintenance and improvement of the manufacturing plants at the Wuxi site, including building up a kilogram-scale payload-linker production line	275.5	275.5	275.5	–	By the end of 2026
Selectively pursue strategic alliances, investment and acquisition opportunities	905.5	–	905.5	905.5	By the end of 2026
Working capital and other general corporate purposes	393.7	393.7	–	–	N/A
Total	**3,936.9**	**2,204.5**	**2,403.0**	**1,732.4**	

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

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

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including any sale of treasury Shares). As at June 30, 2025, the Company did not hold any treasury Shares.

REVIEW OF INTERIM RESULTS

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

KEY EVENTS AFTER THE REPORTING PERIOD

There are no key events affecting the Group subsequent to June 30, 2025.

PUBLICATION OF THE 2025 CONDENSED CONSOLIDATED INTERIM RESULTS AND INTERIM REPORT

This announcement is published on the website of HKEx (www.hkexnews.hk) and the Company's website (www.wuxixdc.com). In accordance with the requirements under the Listing Rules which are applicable to the Reporting Period, the interim report for the six months ended June 30, 2025 containing all the information in accordance with the requirements under the Listing Rules will be despatched to the Shareholders (if applicable) and published on the respective websites of HKEx and the Company in due course.

INTERIM RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2025

The Board is pleased to announce the unaudited condensed consolidated interim results of the Group for the six months ended June 30, 2025, together with the comparative figures for the corresponding period in 2024 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED JUNE 30, 2025

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2025

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

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

1. GENERAL INFORMATION

WuXi XDC Cayman Inc. (the "**Company**") was established in the Cayman Islands as an exempted company with limited liability on December 14, 2020, and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited on November 17, 2023. In the opinion of the directors of the Company, Biologics Cayman is the Company's ultimate holding company.

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

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

2. BASIS OF PREPARATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

3. PRINCIPAL ACCOUNTING POLICIES

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

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

Application of amendment to IFRS Accounting Standards

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

Amendments to IAS 21	Lack of Exchangeability

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

4. REVENUE FROM CONTRACTS WITH CUSTOMERS

(i) Disaggregation of revenue from contracts with customers

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

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

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

(ii) Entity-wide disclosure

Geographical information

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

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

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

5. OTHER INCOME

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

Notes:

(i) It represents interest income derived from bank balances, short-term bank deposits and time deposits. Further details are disclosed in Note 19.

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

(iii) The Group received certain research and other grants for investing in laboratory equipment. The grants were recognized in profit or loss over the useful lives of the relevant assets.

6. OTHER GAINS AND LOSSES

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

7. FINANCE COSTS

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

8. PROFIT BEFORE TAX

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

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

9. INCOME TAX EXPENSE

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

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

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

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

10. DIVIDENDS

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

11. EARNINGS PER SHARE

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

	Six months ended June 30,	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Earnings attributable to owners of the Company		
Earnings for the purpose of calculating basic and diluted earnings per share	**745,701**	488,228

	Six months ended June 30,	
	2025	2024
	(Unaudited)	*(Unaudited)*
Number of Shares		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	**1,201,882,061**	1,197,719,298
Effect of dilutive potential ordinary shares:		
Restricted shares	**2,793,817**	–
Share options	**101,338,330**	88,151,872
	104,132,147	88,151,872
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	**1,306,014,208**	1,285,871,170

12. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

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

13. INTANGIBLE ASSETS

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

14. INVENTORIES

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

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

15. TRADE AND OTHER RECEIVABLES

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

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

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

16. CONTRACT ASSETS

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

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

17. CONTRACT COSTS

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

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

18. FINANCIAL ASSETS AT FVTPL

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

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

19. BANK BALANCES AND CASH/TIME DEPOSITS

Bank balances and cash of the Group comprised of cash and short-term bank deposits with an original maturity of three months or less. The bank balances and short-term bank deposits carried interest at market rates which ranged from nil to 4.58% per annum as at June 30, 2025 (December 31, 2024: from nil to 4.50% per annum).

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

20. TRADE AND OTHER PAYABLES

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

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

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

21. BORROWINGS

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

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

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

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

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

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

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

All the Group's borrowings are denominated at RMB.

22. SHARE CAPITAL

AUTHORIZED:

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

ISSUED AND FULLY PAID:

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

* Amount below RMB1,000.

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

"2021 Pre-IPO Share Option Scheme"	the share option scheme adopted by the Company on November 23, 2021
"2023 Pre-IPO Share Option Scheme"	the share option scheme adopted by the Company on March 22, 2023
"2024 Share Scheme"	the share scheme adopted by the Company on June 12, 2024
"antibody drug conjugate(s)" or "ADC(s)"	an emerging class of highly potent biopharmaceutical drugs designed as a targeted therapy combining the specific targeting capabilities of monoclonal antibodies with the cancer-killing ability of cytotoxic drugs for the treatment of cancer
"Audit Committee"	the audit committee of the Board
"bioconjugate"	complex molecule engineered by covalently attaching two or more biological components in order to achieve improved targeting, efficacy and pharmacokinetics for therapeutic applications
"BLA"	Biologics license application, a request for permission to introduce, or deliver for introduction, a biologic product for commercialization in a specific jurisdiction
"Board"	the board of Directors
"CAGR"	compound annual growth rate
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"cGMP"	Current Good Manufacturing Practice, regulations enforced by the FDA on pharmaceutical and biotech firms to ensure that the products produced meet specific requirements for identity, strength, quality and purity

"China" or the "PRC"	the People's Republic of China excluding, for the purpose of this announcement, Hong Kong, Macau Special Administrative Region and Taiwan
"Company" or "WuXi XDC"	WuXi XDC Cayman Inc. (藥明合聯生物技術有限公司)*, an exempted company incorporated under the laws of the Cayman Islands with limited liability
"CRDMO"	Contract Research, Development and Manufacturing Organization
"DAR"	drug-to-antibody ratio, refers to the average number of drug molecules that are attached to each antibody molecule
"Director(s)"	the director(s) of the Company
"drug product" or "DP"	a dosage form that contains an active drug ingredient
"drug substance" or "DS"	an active ingredient that is intended to furnish pharmacological activity or other direct effect in the diagnosis, cure, mitigation, treatment, or prevention of disease or to affect the structure or any function of the human body, but does not include intermediates used in the synthesis of such ingredient
"EMA"	European Medicines Agency
"EU"	European Union, a politico-economic union of 27 member states that are located primarily in Europe
"EUR"	Euro, the official currency of 20 out of 27 member States of the EU
"FDA"	the U.S. Food and Drug Administration
"Frost & Sullivan"	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.

"Global Offering"	the Hong Kong Public Offering and the International Offering (both as defined in the Prospectus)
"GMP"	Good manufacturing practice
"Group"	the Company and its subsidiaries
"HK$" or "HKD"	Hong Kong dollar(s), the lawful currency of Hong Kong
"HKEx"	Hong Kong Exchange and Clearing Limited
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"IFRS"	International Financial Reporting Standards
"IND"	investigational new drug, an application submitted to the FDA or the NMPA to seek permission or no objection to ship unapproved, experimental drug or biologic agents across jurisdictions (usually to clinical investigators) for use in clinical studies before a marketing application for the drug has been approved
"IPO"	initial public offering
"Linker"	a chemical group that covalently attaches the payload to the biomolecule in a bioconjugate, servicing as a flexible tether between the two components
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
"Main Board"	Main Board of the Stock Exchange

"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules
"monoclonal antibody" or "mAb"	antibodies capable of binding to specific antigens and inducing immunological responses against the target antigens. Monoclonal antibodies when used as a cancer treatment have the ability to bind only to cancer cell-specific antigens and interrupt the growth of cancer cells to achieve efficient treatment with low dosages and less toxic side effects than traditional chemotherapy
"NMPA"	National Medical Products Administration (國家藥品監督管理局) and its predecessor, the China Food and Drug Administration (國家食品藥品監督管理總局) from 2013 to 2018 and the State Food and Drug Administration (國家食品藥品監督管理局) from 2003 to 2013
"payload"	the component that elicits the desired therapeutic response, which is attached to the antibody by a linker and is released at the desired target
"payload-linker"	payload, linker and/or payload-linker, which combines both the payload and the linker, as the context requires. Conjugation, which typically refers to the combination of the antibody intermediate and payload-linker and is one of the most important steps in generating bioconjugates, is a separate step from combining the payload and linker molecules
"Payload & Linker Business"	the payload & linker business, which includes the customer resources, personnel and assets relating to such business, acquired by the Group from STA Pharmaceutical

"PCC"	preclinical candidate
"Pre-IPO Share Option Schemes"	collectively, the 2021 Pre-IPO Share Option Scheme and the 2023 Pre-IPO Share Option Scheme
"Prospectus"	the prospectus issued by the Company dated November 7, 2023
"Remaining WXB Group"	WuXi Biologics and its subsidiaries, excluding the Group
"Remuneration Committee"	the remuneration committee of the Board
"Reporting Period"	the six-month period from January 1, 2025 to June 30, 2025
"RMB"	Renminbi, the lawful currency of the PRC
"R&D"	research and development
"Share(s)"	ordinary shares in the share capital of the Company with a par value of US$0.00005 each
"Shareholder(s)"	holder(s) of Share(s)
"STA Pharmaceutical"	STA Pharmaceutical Hong Kong Investment Limited* (合全藥業香港投資有限公司), a limited liability company incorporated in Hong Kong
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"U.S."	The United States of America
"U.S. dollar(s)" or "US$" or "USD"	United States dollar(s), the lawful currency of the United States of America

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

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

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

Hong Kong, August 18, 2025

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

* *For identification purpose only*