

Global Premier CRDMO: Enabling Global Partners and Delivering Sustainable High Growth

2021 Annual Results

March 2022



WuXi Biologics
Global Solution Provider

Stock Code: 2269.HK

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2021 Annual Results

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Technologies**

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Summary

2021 Annual Results *01*

334 ^{43.7%} → 480

Integrated Projects YOY

103 ^{51.5%} → 156

New Projects YOY

28 ^{14.3%} → 32 / 2 ^{350%} → 9

Late Phase/Commercial Projects YOY

11.3 ^{20.1%} → 13.6

Total Backlog (US\$ Bn) YOY

54KL → 262KL

Capacity from 2020 to 2022

9,864/3,285

Employees/Scientists



5.61 ^{83.3%} → 10.29

Revenue (RMB Bn) YOY

45.1% → 46.9%

Gross Profit Margin YOY

1.72 ^{100.3%} → 3.44

Adj Net Profit (RMB Bn) YoY

30.6% → 33.4%

Adj Net Profit Margin YOY

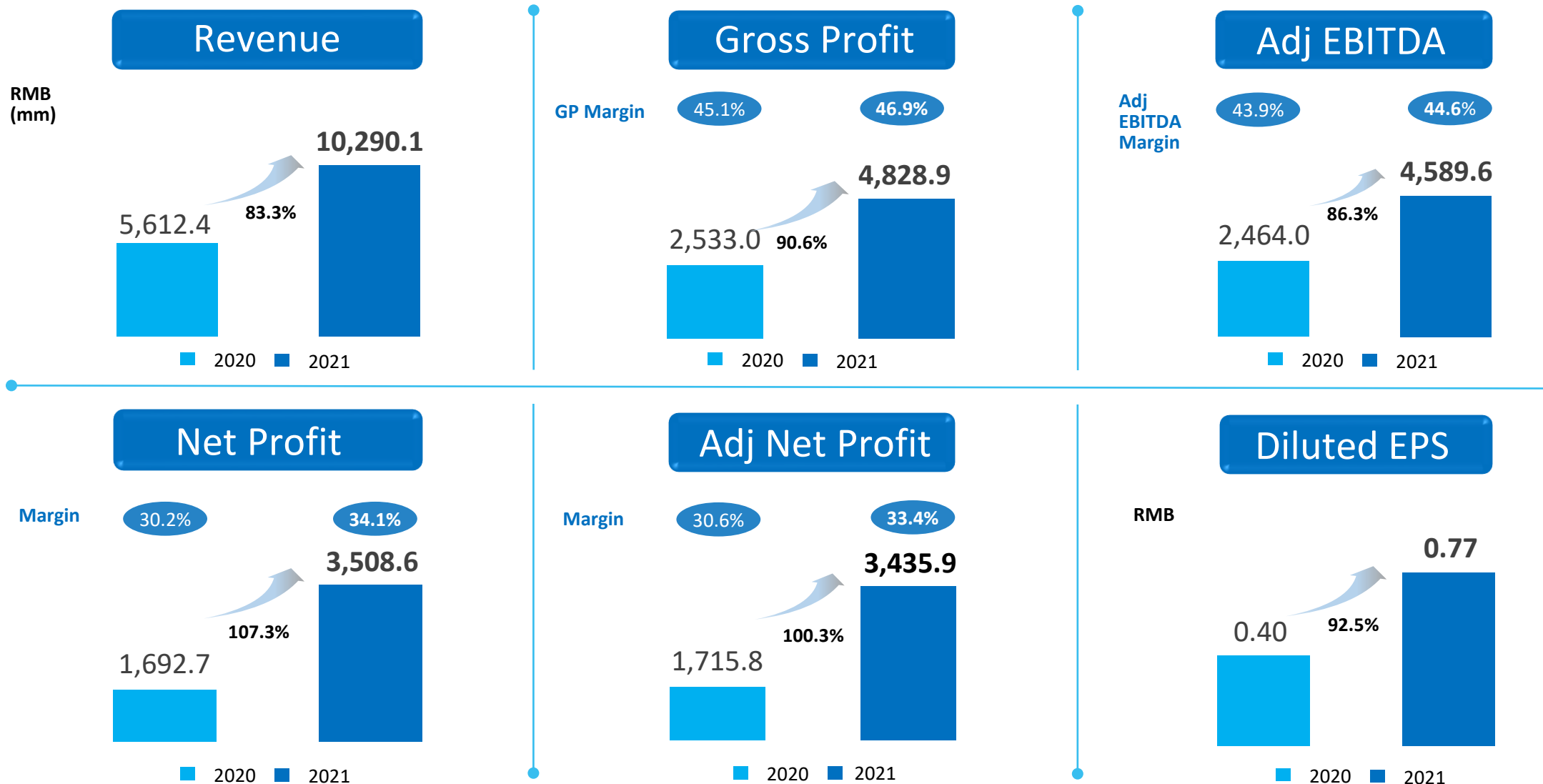
43.5% → 45.3%

EBITDA Margin YOY

0.40 ^{92.5%} → 0.77

Diluted EPS (RMB) YoY

Revenue, Profit and Margins All Record High



Key Financials

AVAILABLE FUNDS

- Available funds approx. **RMB11.1 bn** as of Dec. 31 , 2021
- Total Liability to Equity Ratio **34.6%**, expect to have sufficient funds for capacity expansion

LOAN

- Approx. **RMB2.8 bn** borrowings as of Dec. 31, 2021
- Maintains bank credit facilities of around **RMB1.7 bn**
- Operating cash flow of **RMB3.4 bn**, **82.4%** increased YoY

BUYBACK

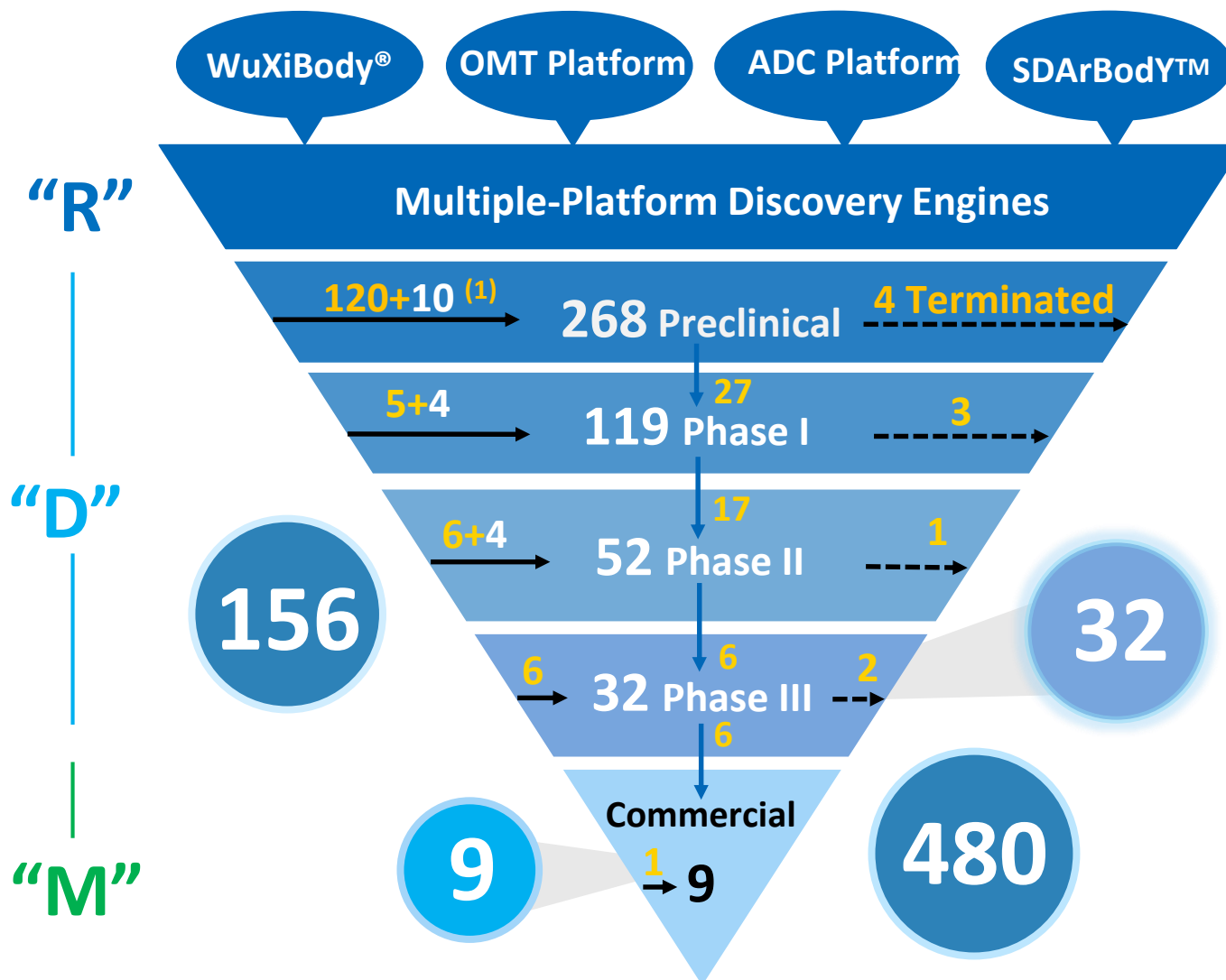
- **US\$500 million** buyback completed by the end of Jan. 2022, demonstrating management's confidence in the company outlook
- **45,058,000** repurchased shares cancelled Jan 2022

CAPEX

- 2021 CAPEX approx. **RMB6.5 bn**, mainly for capacity expansion in Europe, China and U.S.
- 2022 CAPEX plan: approx. **RMB5.5 bn**

Business Momentum Continues to Accelerate in 2021

- Business accelerates as newly-added projects reaching another record high
- **156** new integrated projects added as of Dec. 31, 2021: **138** organic and **18** acquired from CMAB
- **1,000+** CDO projects
- **32** Phase III projects: drive near-term growth
- **“Win-the-Molecule”** Strategy continued: **18** external projects transferred into the pipeline
- **7** commercial projects added in 2021, with more are expected in the future



Notes:

1. As of Dec. 31, 2021

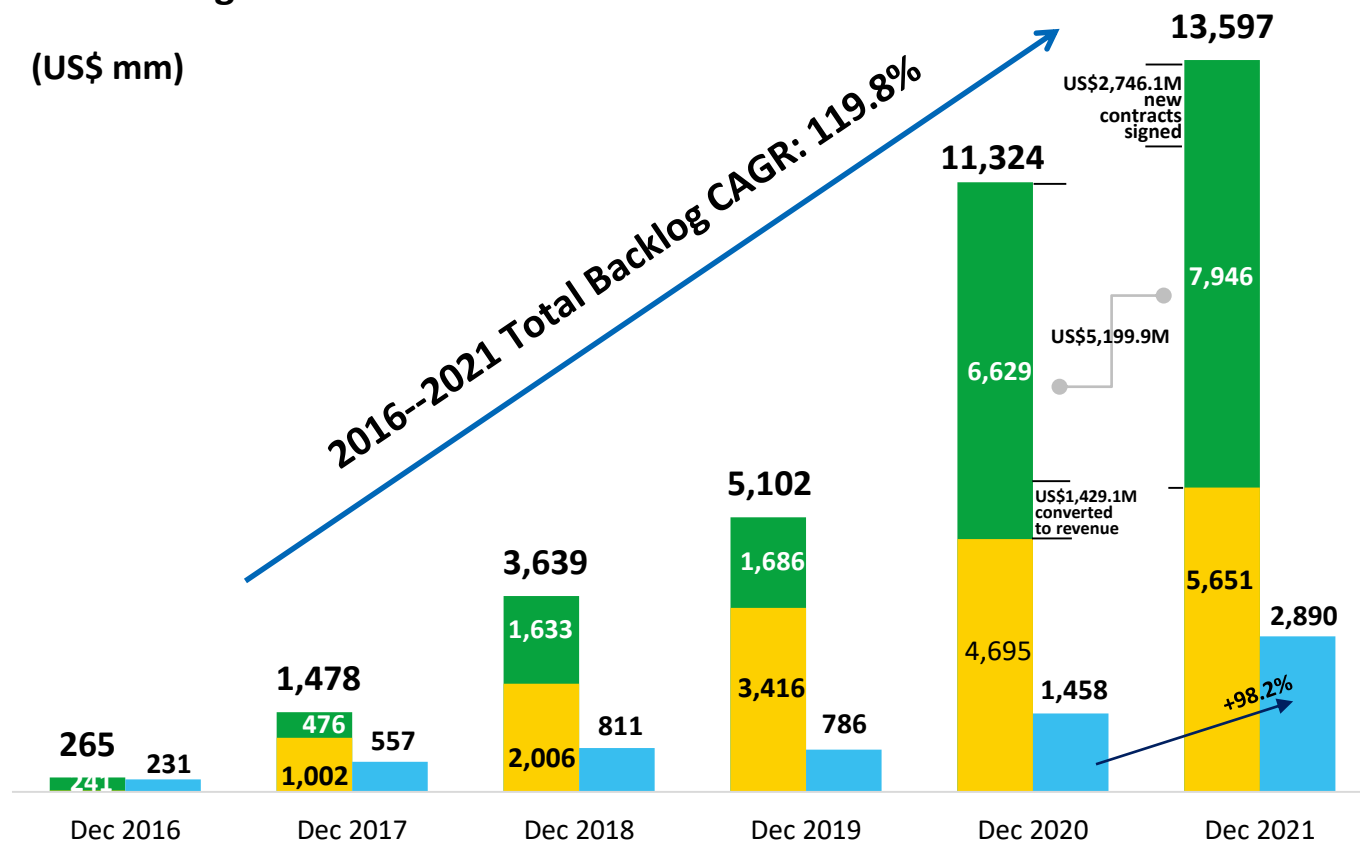
2. 10 Preclinical, 4 Phase I and 4 Phase II programs were from CMAB (total 18)

3. The arrows in black are the projects newly added from outside; the arrows in blue are the projects progressing from earlier stage; the dashed arrows are terminated projects

Strong Backlog Growth Underpins Future Performance

- Service Backlog
- Upcoming Potential Milestone Fees ⁽¹⁾
- Backlog within 3 Years

(US\$ mm)

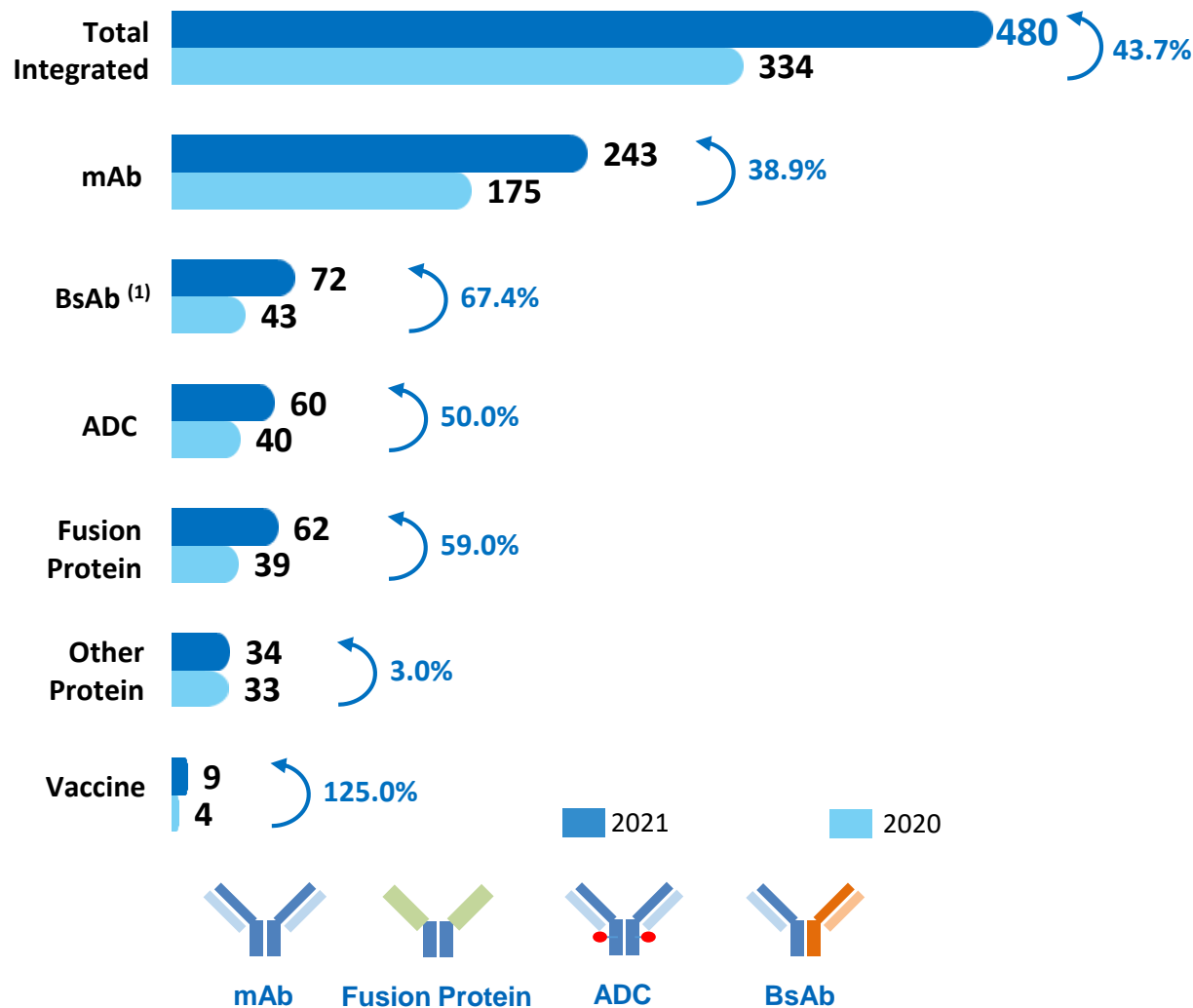


- Total backlog increased **20.1% YoY** to **US\$13.6 bn**. Strong momentum maintained as of Dec.2021
- Upcoming potential milestone fees backlog increased **20.4% YoY** to **US\$5.6 bn**, benefiting from technology enabling platforms and unique CRDMO business model
- As of Dec. 2021, backlog within 3 years increased **98.2% YoY** to **US\$2.9 bn**, providing strong short-term growth visibilities
- **US\$7.9 bn** service backlog included **4** phase III projects with long-term service contracts signed, huge backlog potential from increasing late-stage projects
- **~79%** total backlog is for year 3 beyond while **~21%** is for revenue within 3 years
- Strong backlog does not indicate lack of capacity for new projects. Any projects can be initiated within **4 weeks**

Note:

1. Upcoming milestone revenue may take longer to receive at the various development stages as it depends on the success rate and progress of the projects

Rich Pipeline across All Biologics Modalities



182 First-in-class programs



9 vaccine projects, including **6** non-COVID vaccines



Expanding global leading technology platforms providing **mRNA-based vaccine** full CDMO services (DS+DP): **2** projects ongoing



8 CNS (Central Nervous System) programs from domestic and global companies with exciting potential



One of **the largest** portfolios of complex biologics, consisting of mAbs, bispecifics, multispecifics, ADCs, fusion proteins and vaccines, etc.

Notes:

1. As of Dec. 31, 2021, compared with projects number as of Dec. 31, 2021

2. Bispecific Antibody (BsAb) included both WuXiBody® projects and non-WuXiBody® projects

“Win-the-Molecule” Strategy: New Driver to Expand Pipeline and Deliver Additional Near-term Growth

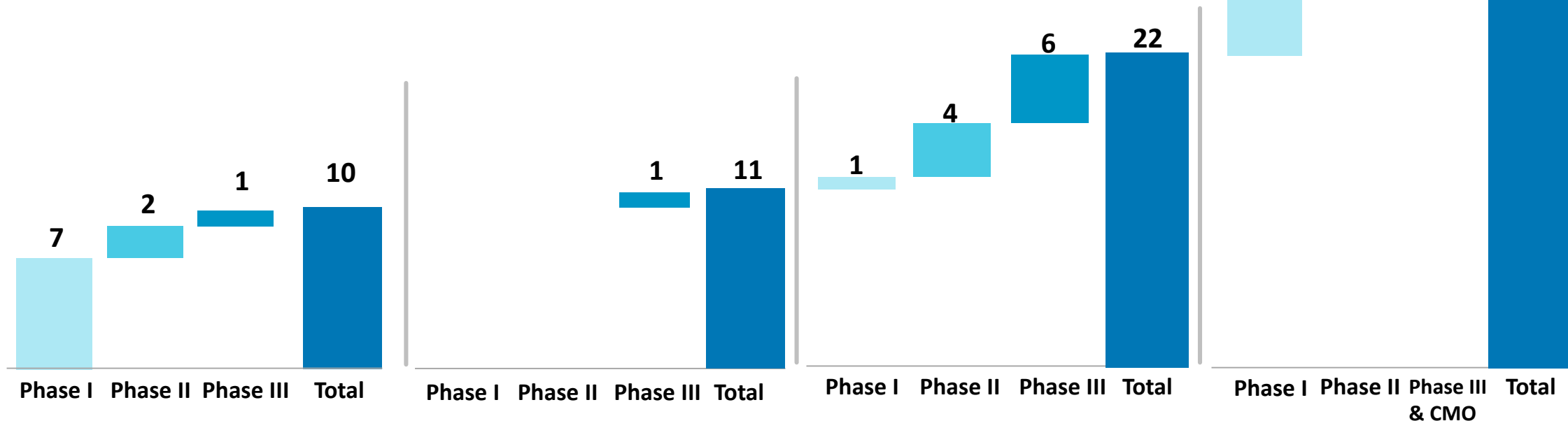
2018

2019

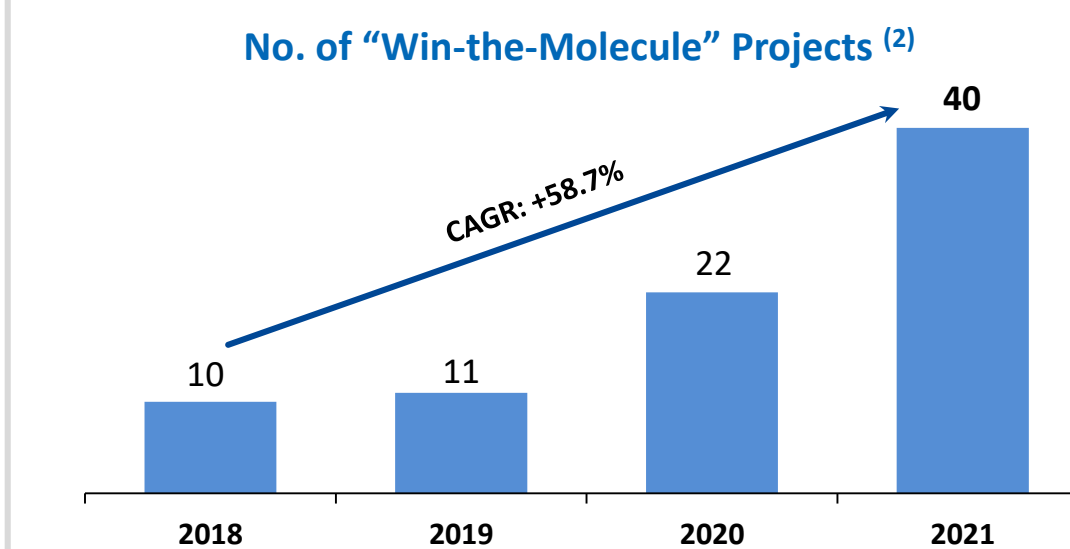
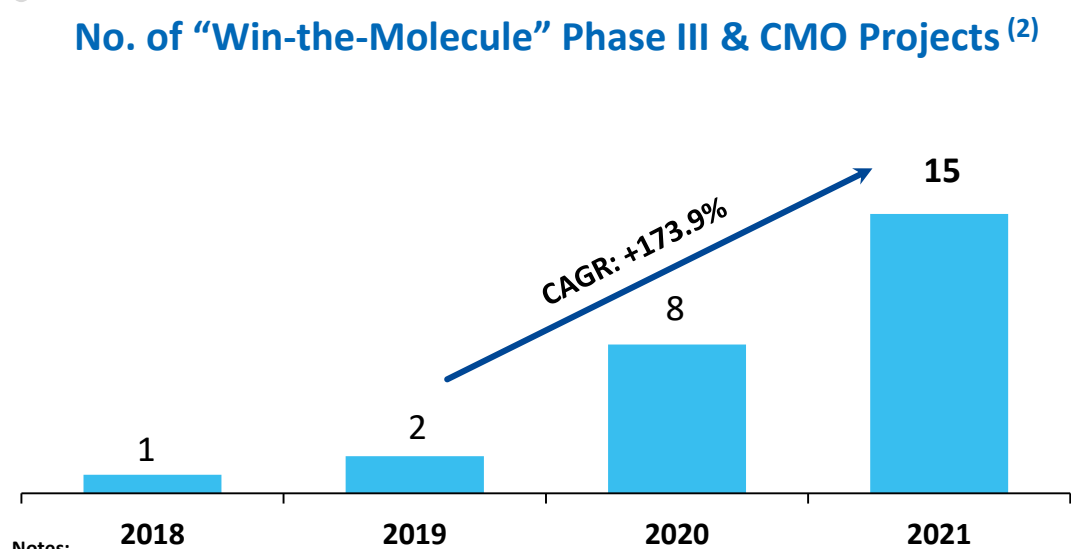
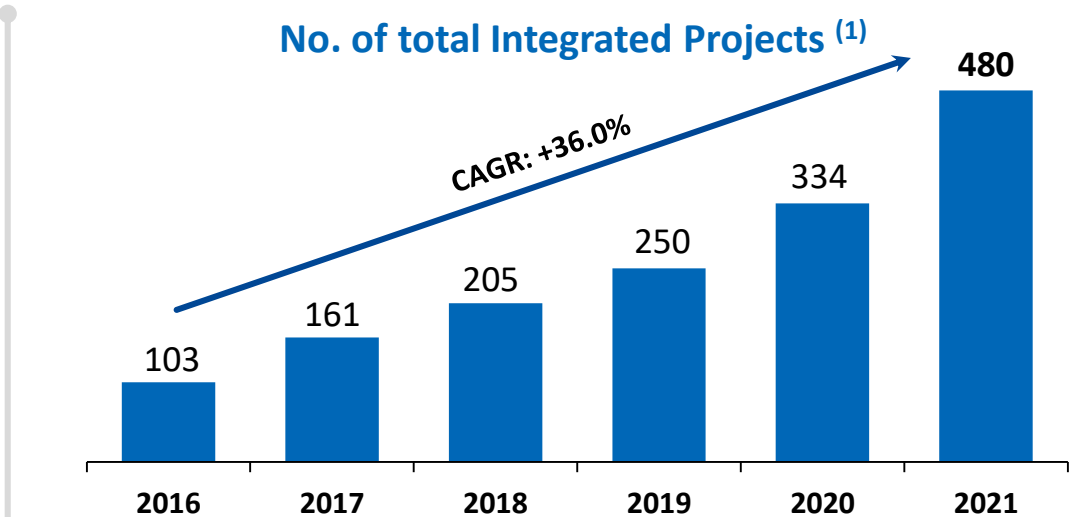
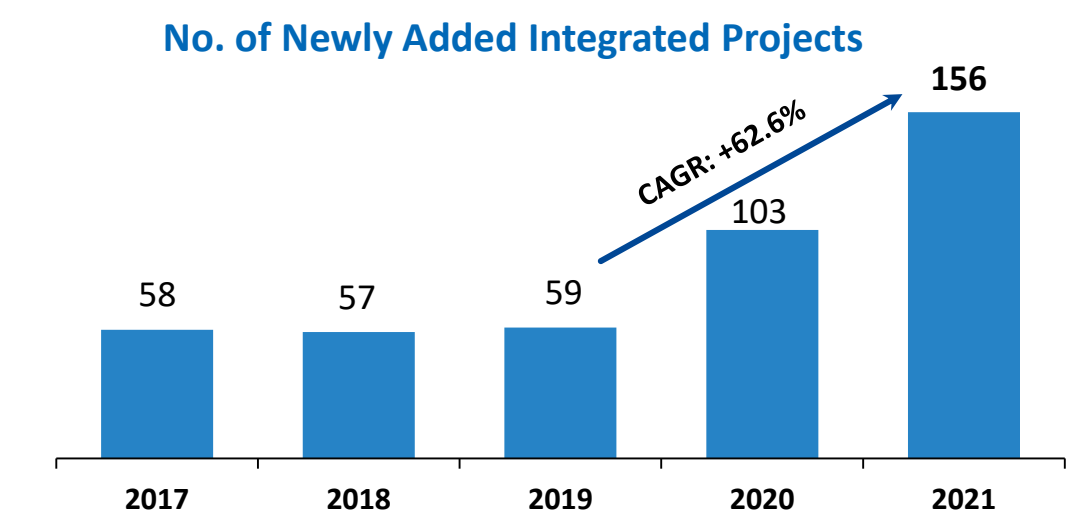
2020

2021

- Total 40 projects at different stages (Phase I, II and III + CMO) transferred from global CDMOs to WuXi Biologics since 2018: 15 phase III & CMO projects will drive significant near-term growth
- Almost half of current Phase III projects originated from “Win-the-Molecule”
- Excellent execution, best timeline and leading technology underpin “Win-the-Molecule” strategy



Follow and Win Strategies Driving Robust Project Growth: Expect to Maintain the Market Share post COVID



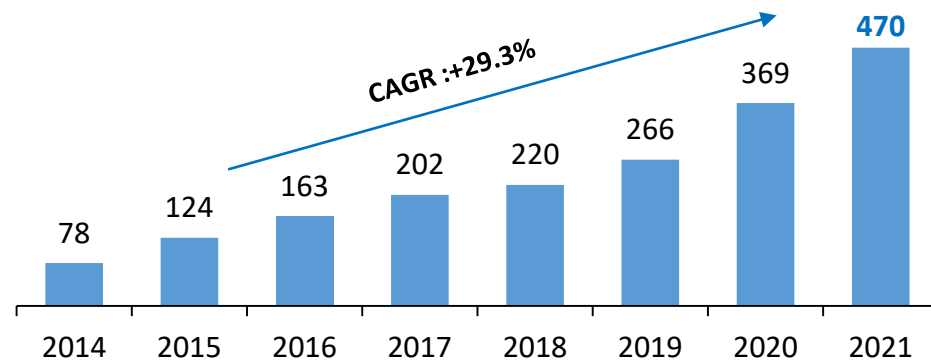
Notes:

1. Integrated projects are defined as projects requiring services for multiple stages during biologics development process

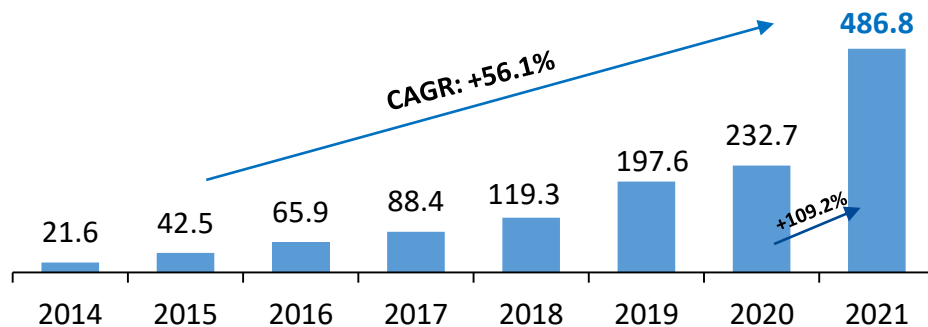
2. “Win-the-Molecule” projects are shown in accumulative number

Expanding Global Customer Base and Growing per Customer Revenue

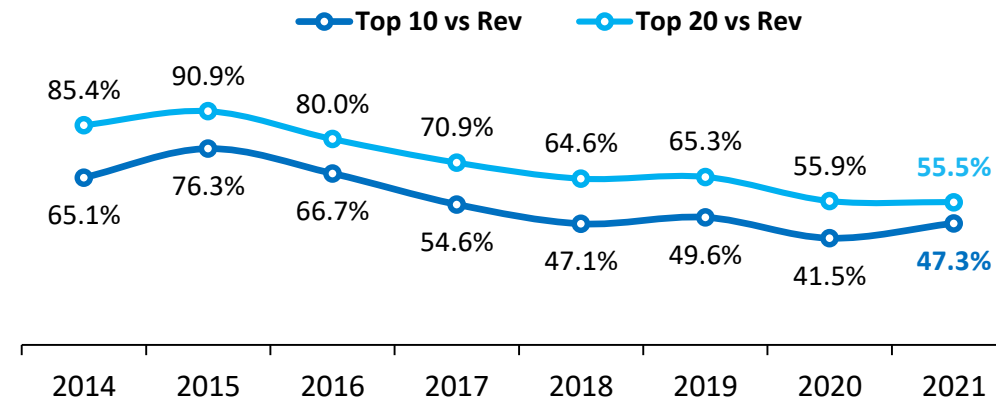
Number of Integrated Customers ⁽¹⁾ Serviced in Each Period



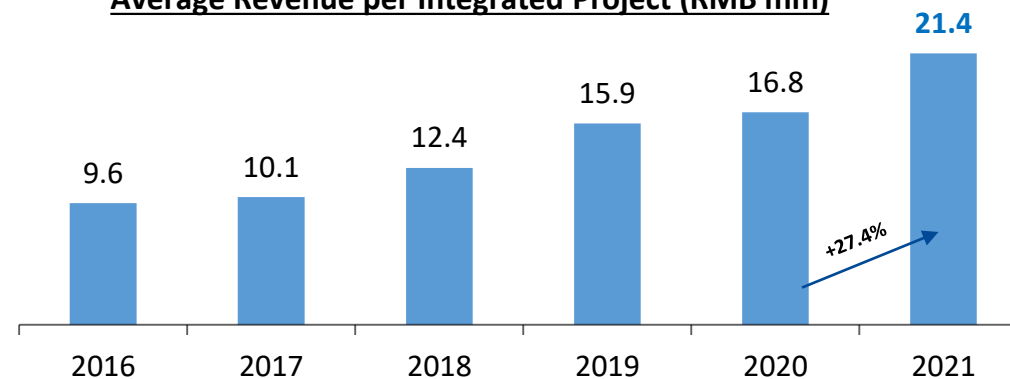
Average Revenue per Top 10 Customers (RMB mm)



Revenue % of the Top 20 and the Top 10 Customers



Average Revenue per Integrated Project (RMB mm)



- **Average Revenue per Project** further increased due to more revenue contribution from late stage and commercial projects and complexity of the early stage projects
- **Revenue from Top 10** increased YOY as Top 10 clients added additional projects and more project progressed to later stages

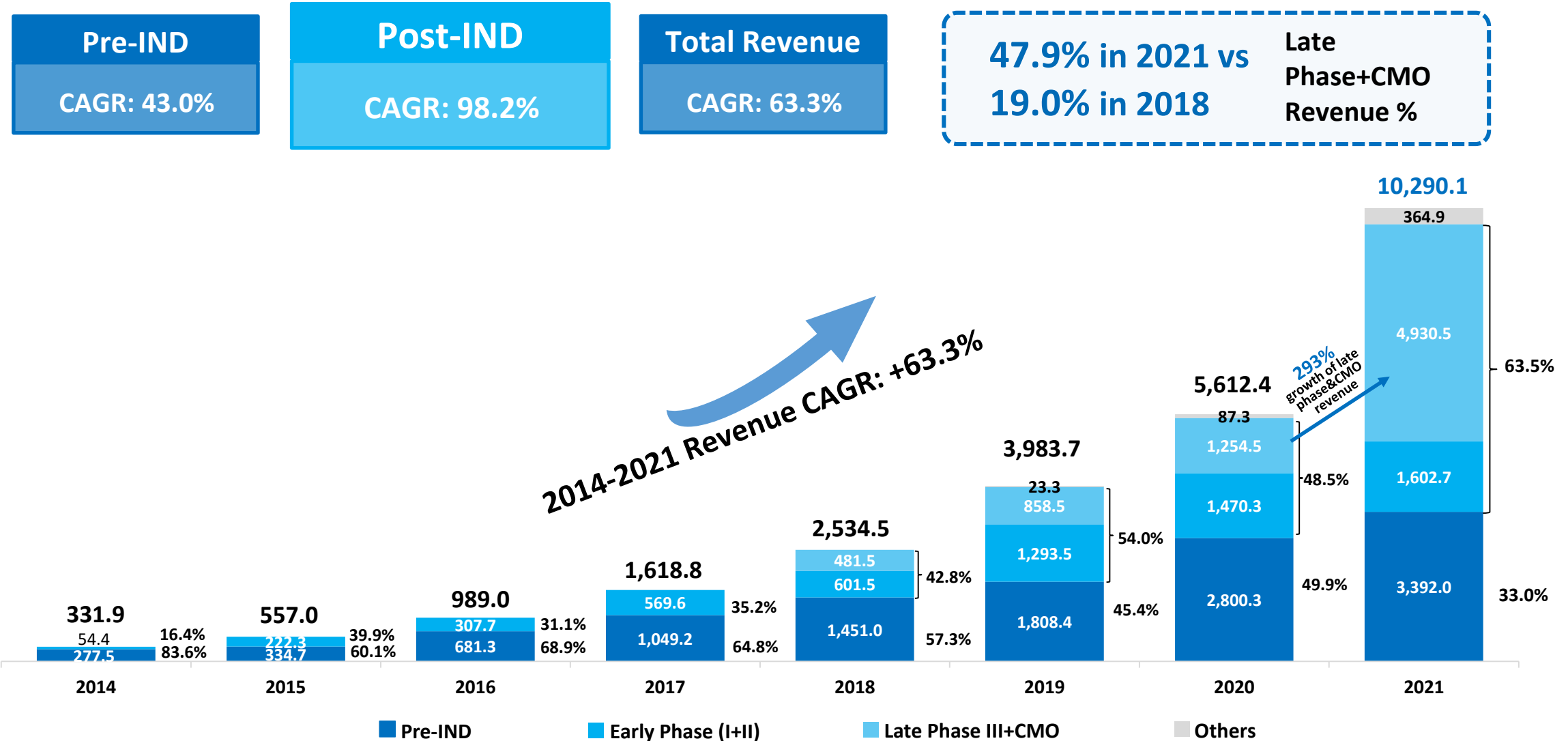
Note:

1. Customers refer to those clients who contributed revenue during the reporting period

Global Top 20 Large Pharmas Become Key Clients

- Traditionally “Follow and Win the Molecule” strategy pioneered by WuXi Biologics is a perfect match for small and medium-sized companies
- Global large pharma became core clients and now contribute **~40%** of total revenue in 2021 vs ~20% in 2020 thanks to growing recognition of WuXi Biologics, their acquisition of the small and mid-sized companies and increasing outsourcing trend
- WuXi Biologics retained approx. **95%** of the project after large pharma’s acquisition of small and medium biotech and received even more projects from large pharma thanks to the recognition of our capabilities
- All top 20 global large pharma are now working with WuXi Biologics
 - For two large pharma, significant portion of their global portfolio were developed at WuXi Biologics
 - For another large pharma, significant portion of its approved products for US/EU markets are manufactured at WuXi Biologics
 - For two large pharma, WuXi Biologics is considered as an extension of their internal R&D with 100+ FTEs each

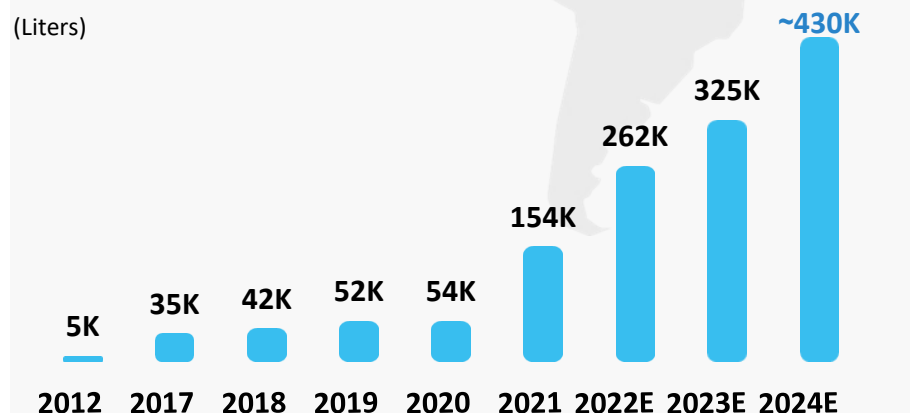
Stunning Growth of Late Phase+CMO Revenue Validated WuXi Bio CRDMO Business Model



WuXi Bio's Global Network to Enable Partners



Capacity in Progress (CIP) by Year



Well-positioned for the era of innovative biologics. A robust global network with **~430,000 L⁽¹⁾** capacity in place to enable our partners over the world

Full Parallel Capabilities Established from DNA to BLA in US/EU in 2022

One-stop fully integrated service within the US/EU network from process development to drug substance and drug product manufacturing



DNA



IND



BLA

“Follow and Win the Molecule” Starting from US

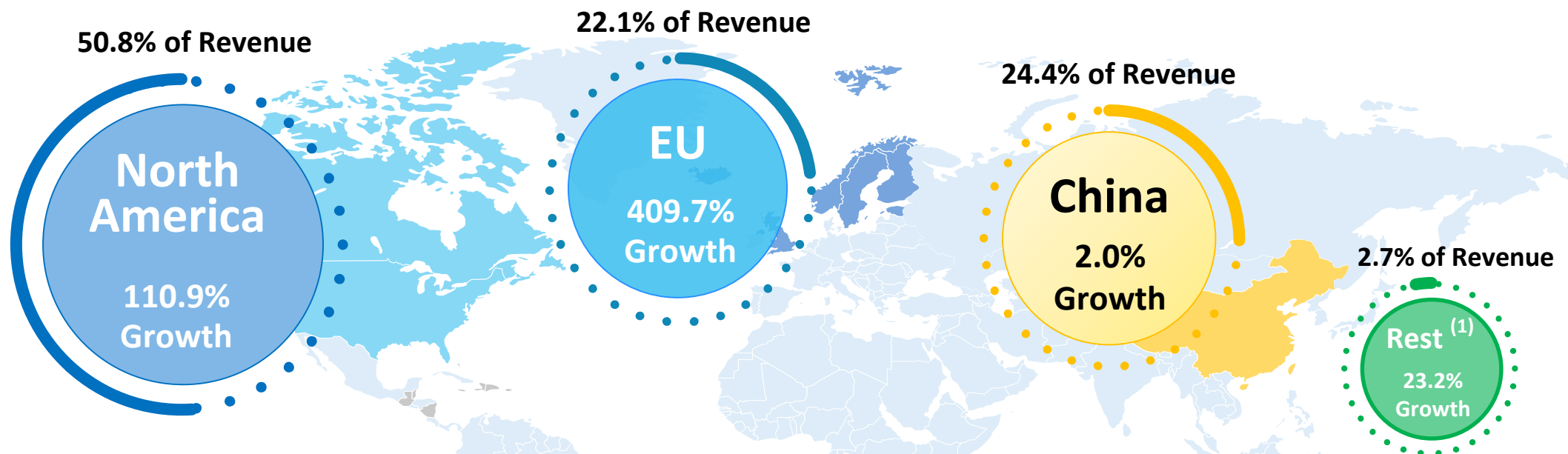
- MFG18 (Cranbury NJ): PD & 3x2,000L mfg
- DP12 (Cranbury NJ): Vanrx filling line
- KOP PA: PD lab

Global Dual Sourcing within WuXi Biologics

- MFG6/7: Dundalk, Ireland (54,000L)
- MFG19: Wuppertal, Germany (15,000L)
- DP7: Leverkusen, Germany (EU approved)

- **2022: Total cumulative CAPEX of ~US\$1.5 bn in US/EU to support ~US\$1 bn revenue**
- **2025: Total cumulative CAPEX of ~US\$3 bn in US/EU/Singapore to support ~US\$2 bn revenue**
- **2022: All cumulative CAPEX for operating facilities in China ~US\$0.9 bn**

Sustained High Growth with Diverse Engines



- **North America:** the biggest market with robust growth of 110.9%. WuXi Bio brand name gains broad recognition from both small biotechs and large pharmas. Continue to build capacities and capabilities in NA
- **China:** Commercialized products in China takes longer time to scale up. 2020 achieved a phenomenal growth (75.1% YoY) with a large market share. Most Chinese projects are in early stage hence slower revenue growth. Continued to win market share from top-tier clients with superb services and track record. Discovery and development activities is booming with a focus on differentiated pipeline
- **Europe:** phenomenal growth of 409.7% resulting from substantial COVID-related projects. Increased collaboration with global top pharmas with local fulfillment capabilities in Ireland and Germany, more growth potential is expected
- **Rest of World:** market presence further improved to enable both leading biotech and pharma. One CMO project added by “Win-the Molecule”

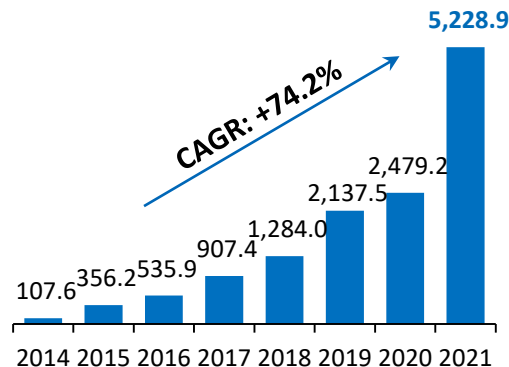
Note:

1. The rest market primarily includes Singapore, Japan, South Korea, Australia and Israel

Overview on Geographic Markets ⁽¹⁾

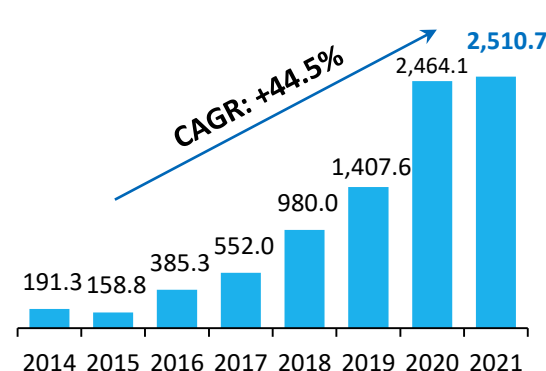
North America

RMB mm



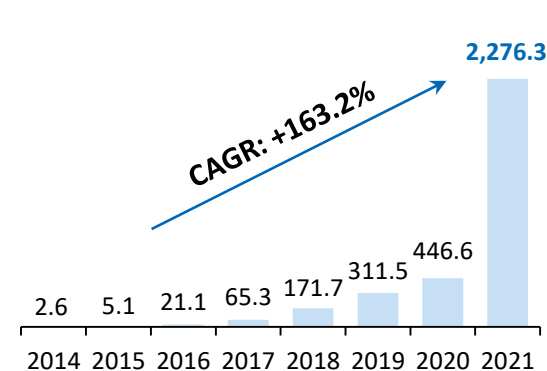
PRC

RMB mm



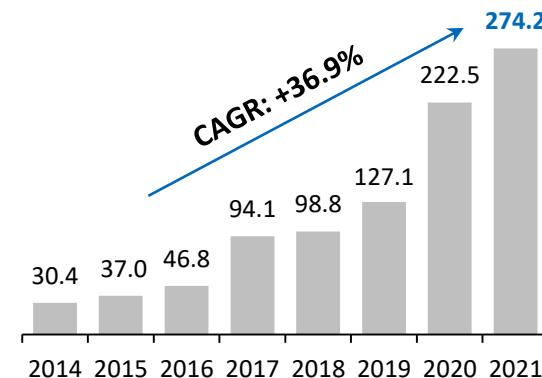
Europe

RMB mm

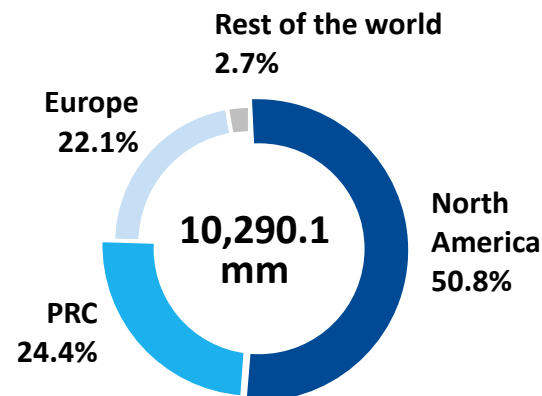


Rest of the World ⁽²⁾

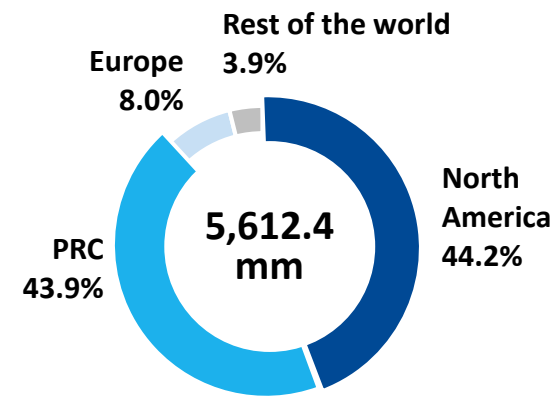
RMB mm



2021 Revenue (RMB)



2020 Revenue (RMB)



Notes:

1. Customers are classified into different regions based on their headquarters
2. Rest of the world primarily includes Singapore, Japan, South Korea, Australia and Israel

Still Expect Strong Tailwinds from Innovations in China



2021 Growth in China slowed down due to:

- Commercial products in China takes longer time to scale up as the growth in US/EU is driven by CMO
- High market share in China
- The high base in 2020 with 75.1% YOY growth
- Most of projects in China at pre-clinical or phase I stage which experienced COVID-related delay in development

WuXi Bio maintains its leading market share in China, i.e. significant growth in new projects. Strong fundamentals in China remain



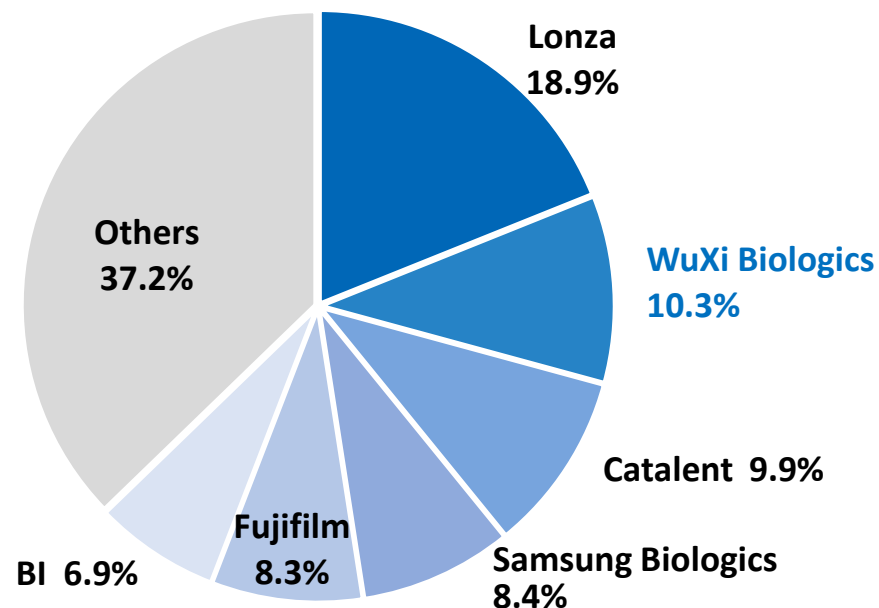
Positive outlook on China market growth in next years. WuXi Bio's technology platforms will continue to enable customers with a focus on innovative projects of **new modalities** including bispecific, multispecific, ADC, etc.

Our View on Recent FDA ODAC Meeting/CDE Guideline

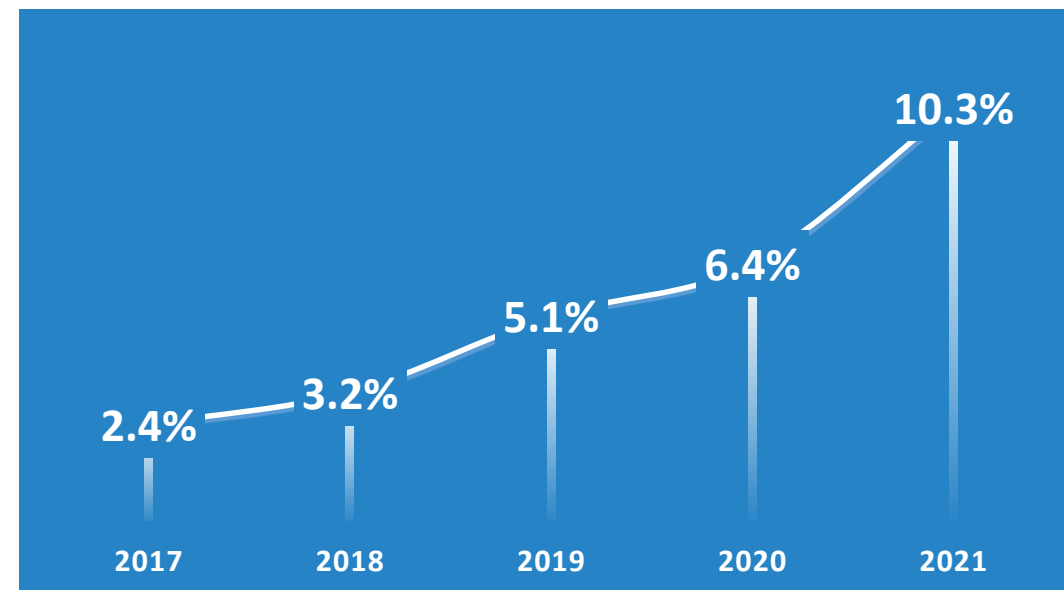
- Favorable policies and investments on differentiated assets to address unmet medical needs have not changed
- Low-quality assets will gradually disappear, favoring leading biotechs and CDMOs
- WuXi Bio continues to enable Chinese customers with service of leading-edge technology and high quality, and roadmap to global market

Global Top 2 With Fastest 5-Year CAGR Growth

Market Share of Global Biologics ⁽¹⁾
Outsourcing Market by Revenue in 2021



Global Biologics ⁽¹⁾ Outsourcing Market by Revenue of
WuXi Biologics 2017 to 2021



- The global biologics outsourcing market is getting more concentrated by top players in 2021 compared with previous years as Top 6 players accounted for 63% of total market share.
- Top 10 leaders expected to win 80%+ market share in 2025 due to high entry barriers and 5-10 years to establish track record and proven quality systems to win over clients: new players have stiff learning curve to win meaningful market share

Notes:

Source: Frost & Sullivan, BioPlan Associates, CICC Research, China Securities, company publications, expert interviews

1. Biologics exclude cell and gene therapy and include COVID incomes

WuXi Biologics Making Significant Contributions to Combat COVID-19



- GSK/Vir's antibody **FDA EUA** approval
- Bii NMPA approval and FDA EUA pending
- Another COVID mAb from a large pharma received global EUA approval



20+ COVID-19 related contracts for mAbs, vaccines and proteins:

- **~RMB3 bn** in 2021
- **RMB2 bn+** contracted in 2022, revenue expected to **increase** because of surging demands for Omicron effective therapies
- Expect **RMB800 mm+** in 2023



Take-or-pay commitments
minimize revenue
uncertainty: **no downside**
for COVID-19 CMO projects
regardless of commercial
success of these programs

Enabling mAb and Vaccine Portfolio to Combat COVID-19 Globally

Preclinical

10+

Phase I

2

Phase II

2

Phase III

2

Commercial

3

COVID-19 mAbs

- Commercial: **3 mAbs (1,500+Kg)**
- **10+ Active programs**
- **10+ Clients**

Develop and Manufacture Three Modalities of COVID-19 Vaccines

- **Viral vaccine (hundreds of million doses of DS delivered)**
- **Protein and mRNA vaccines being developed and manufactured**

Excellent Operational Metrics

Track Record

- WuXi Bio has enabled total **267** INDs, **14** BLA/MAAs approved as of Dec 31, 2021
- **480** integrated biologics in development including **72** bispecific and **60** ADCs
- **35** on-going WuXiBody® bispecific antibody projects
- **10+** COVID-19 programs in progress and **20+** INDs approved
- Capacity of **150** INDs and **12** BLA/MAAs enabled per year
- **84** INDs approvals in 2021, total **267** INDs approvals as of Dec 31st 2021.
- **~1,500** projects including 480 integrated and other **1,000+** non-integrated CDO projects

Operational Excellence

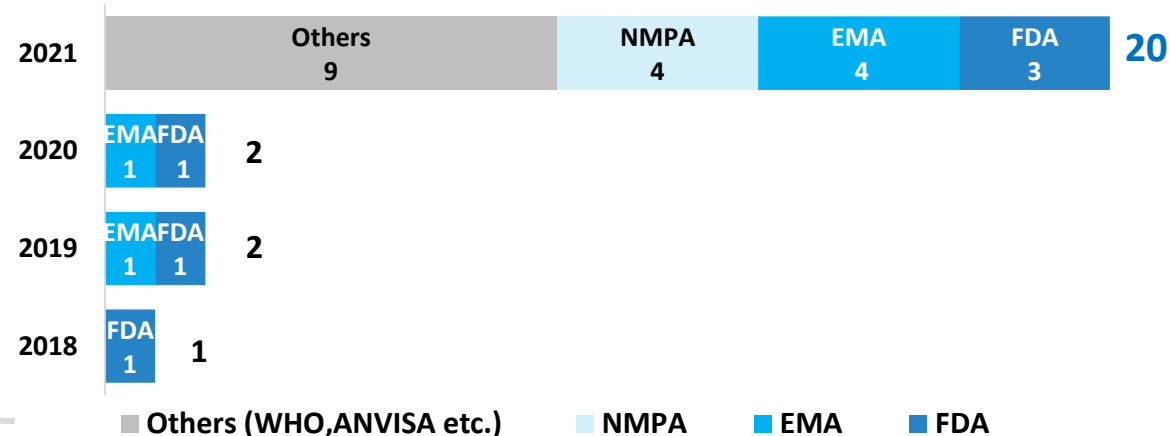
- **15** facilities with **~262,000L** DS capacity in 2022 vs **~430,000L** after 2024
- **13** facilities for drug product filling, including **1** bioconjugate DP in 2022
- Building **13** facilities globally
- **1,700+** DS batches completed with 98% success rate
- **269** DS batches completed in MFG3 with **100%** success since Apr. 2018
- **328** DS batches completed in MFG1 with **100%** success since Mar 2018

QUALITY: 22 Global Inspections Completed in 2021

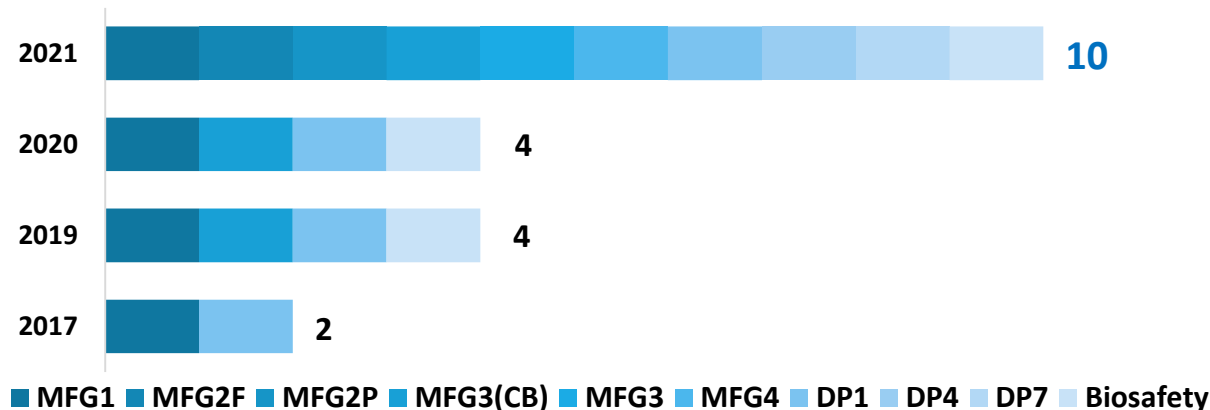
Number of Regulatory Inspections



Number of License Approval: 20



Number of Certified Facilities: 10



*



Talents Form the Prerequisite for Business Success



9,864

Total as of Dec. 31, 2021. Expected to reach 13,000 by the end of 2022



763

Employees working in US/EU/APAC



658

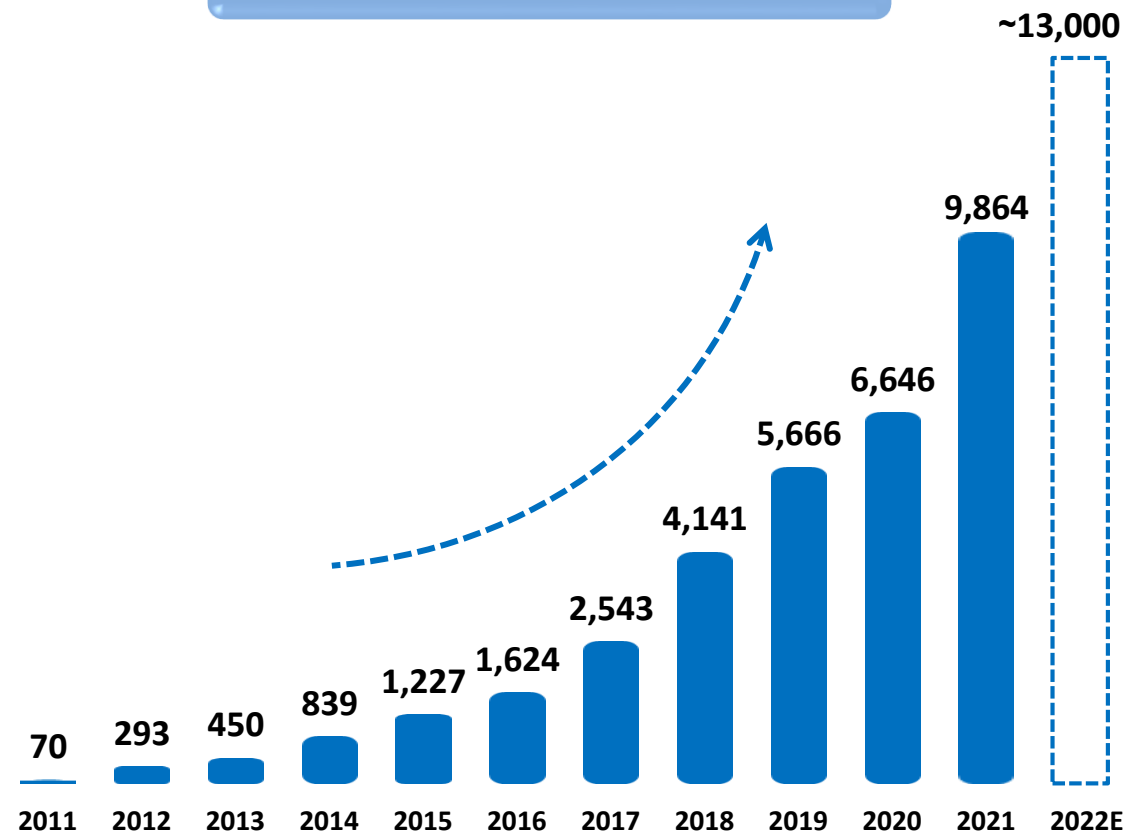
Employees holding Ph.D. or equivalent



3,285

One of the largest biologics development teams

Rapid Expansion of Talent Pool



2021 total retention rate⁽¹⁾ around 90%, key talent 93.7%

Note:

1. As of Dec. 31, 2021, retention rate is calculated on voluntary staff turnover

Prompt Responses and Effective Measures to Minimize UVL Impact



Prompt Response and Effective Execution

- **Day 1:** prompt calls to global investors to brief the details and reaffirm the compliance of business; prompt communications with all clients
- **Day 7:** addressed almost all concerns from clients. 1:1 meetings with Top 20 investors and Top 20 clients completed. UVL statement prepared for all clients and suppliers
- **Day 8:** communications with both MOFCOM and US BIS



“Dual-Source, Dual-Factory” Supply Chain Strategy in Place Since 2018

- Effective supply chain management with no reliance on single supplier or single country/region
- No impact on planned capacity expansion: all capacity expansion on track as expected
- Only impacted 4 SKUs for consumables which are used in 8 early-stage projects, 6-12 months of inventory



No disruption to Operations

- 2 entities on UVL: established mechanism with suppliers/customers to satisfy the additional documentation associated with UVL
- Fully addressed concerns from clients and suppliers
- No disruptions in supply chain or business operations are expected

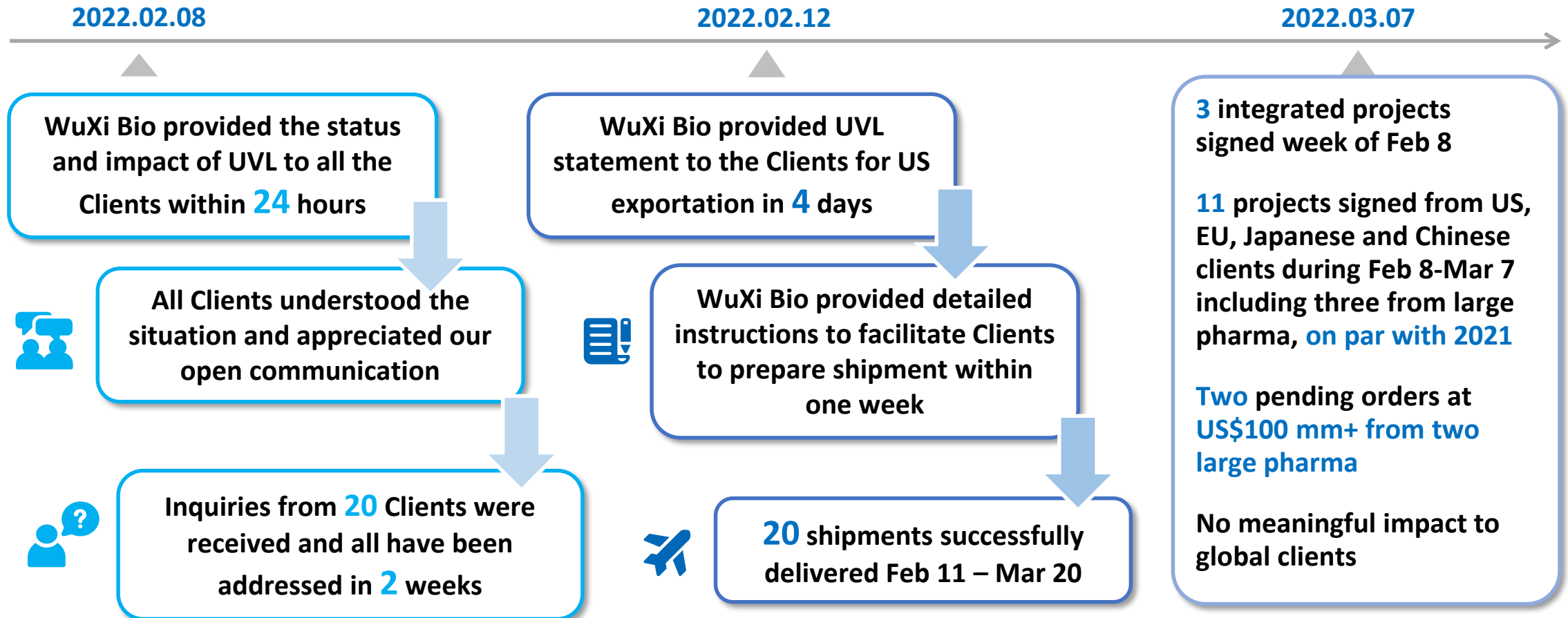


Business Development as Usual

- Business development is not impacted after extensive communication with clients
- Continue to win clients with substantial contracts signed
- Compliance (including trade compliance) has always been the cornerstone for the Company
- Promising timeline to be removed from the list, but subject to government schedule. Keep investors and clients posted for any progress

Swift and Close Communication with Customers on UVL: No Meaningful Impact to Global Clients

*BIS added two legal entities
under WuXi Bio on UVL*



No Business Impact from Recent COVID Outbreaks in China

Operation

- No lab/facility is in quarantine
- Projects execution and capacity expansion in SJZ/Chengdu are progressing as scheduled
- Using virtual/digital solutions instead of physical visits

Business

- Continue to win new clients and contracts worldwide despite COVID outbreak, demonstrating WuXi Bio's execution, resilience, and flexibility



Supply Chain

- No supply interruptions have been identified by current COVID situation in China
- Dedicated teams with stringent measures have been deployed to safeguard all export/import goods

Staff Health /EHS

- Staff health is the top priority: taking effective measures to protect 10,000+ employees
- PPEs, COVID tests, workplace cleaning are frequently provided to keep our staff from exposure

Planning

- Closely monitoring the dynamics of local regulations with a daily report on each site
- Contingency plan & precautionary measures are well-prepared in response to local authority requirements

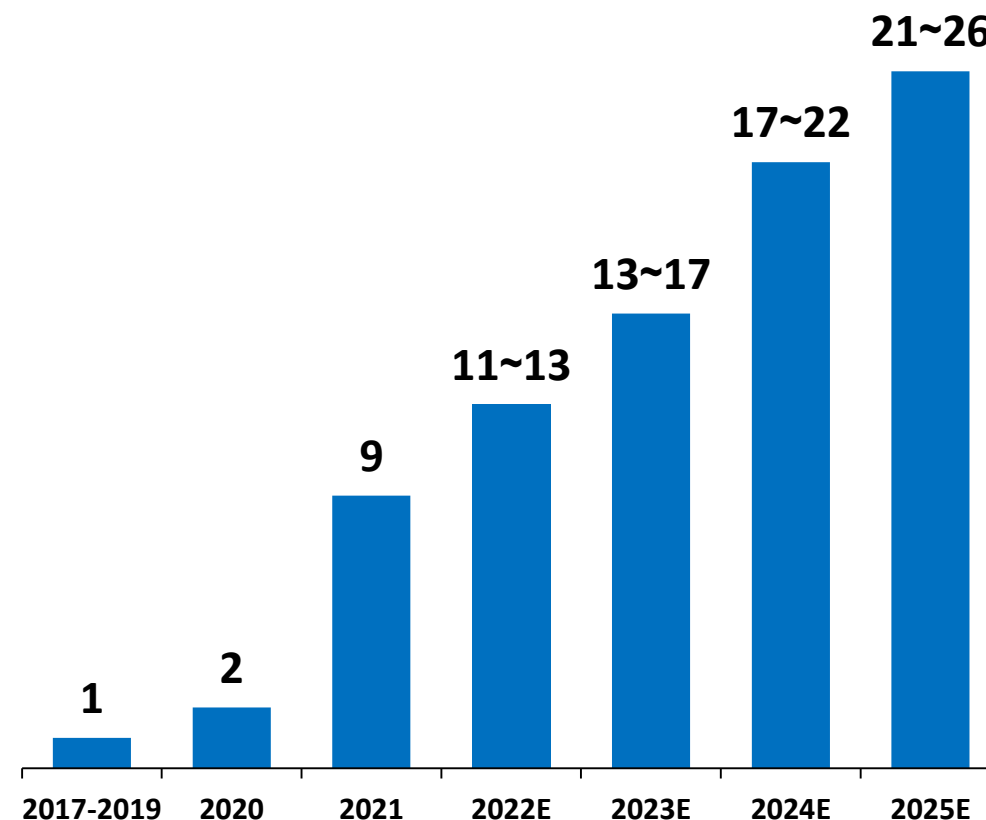
Explosive Growth of Commercial Projects

02

Banner Year for Commercial Manufacturing: from 2021 and Beyond

- Added **7** commercial manufacturing projects in 2021
- Total **9** commercial projects by end of 2021, including **one** via “Win-the-Molecule” strategy
- **4** COVID commercial projects and **5** non-COVID commercial projects, diversified CMO pipeline
- Expecting **2-4** in 2022-2023 and **4-6** in 2024-2025, respectively
- **20+** commercial manufacturing expected in 2025

Explosive CMO Revenue Growth Expected



Explosive Growth of Non-COVID Commercial Projects in the Near Term

Manufacturing projects that could potentially generate **US\$200 mm+** peak revenue per year

- Cancer bispecific A
- FcRn mAb
- CD47 mAb
- TIGIT mAb
- Cancer ADC Z

Manufacturing projects that could potentially generate **US\$100-200 mm** peak revenue per year

- Pompe ERT
- Cancer bispecific B
- Cancer bispecific C
- Non-COVID Vaccine
- Global biosimilar 1
- Global biosimilar 2
- Infectious disease mAb1

Manufacturing projects that could potentially generate **US\$50-100 mm** peak revenue per year

- Cancer bispecific D
- Cancer ADC Y
- CD38 mAb
- DR5 mAb
- Global biosimilar 3
- Cancer ADC X
- Gaucher's disease ERT
- Infectious disease mAb 2

- Multiple programs and **higher POS** for exciting targets
- Inventory-built for biologics can start **2-3 years** before approval due to complexity of manufacturing and long supply chain
- CMO revenue from these projects expected to be **US\$2 bn+**

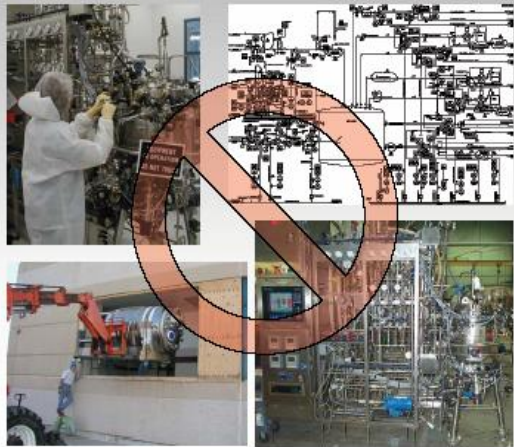
**Disposable
Manufacturing
Proven as Disruptive
Technologies**

03

TECHNOLOGY: Disposable Manufacturing Technology

Proven Effective in Commercial Manufacturing

Conventional Bioreactors



Single-Use Bioreactors

- ☑ No cleaning and sterilization
- ☑ Simple design & operation
- ☑ Saves time and resources
- ☑ Minimal utilities
- ☑ Less maintenance and repair
- ☑ Simple qualification & validation
- ☑ Low contamination risk
- ☑ Less capital investment

VS

HyClone Single-Use Bioreactor (SUB)

Permanent
Support Vessel
(50 and 250L)



Single-Use
Bioreactor BPC

HyClone

- Global leader and pioneer in using disposable manufacturing technology
- **1,500+kg** neutralizing mAbs delivered in 12 months at **2,000-12,000L** scale
- COGS reduced to **<US\$80/g** at 12,000L scale, comparable COGS with similar stainless steel
- **1,700+** batches manufactured at **~98%** success rate
- **Less** CAPEX, faster in building facilities (one year) and comparable COGS resulting in **higher** ROI (MFG1 10-year ROI 51% realized, MFG2 35%, MFG3 50% expected)

Disposable Bioreactors CAN Deliver Lower COGS than Stainless Steel

Scale of Disposable Bioreactors	Scale of Stainless Steel Bioreactors	Cost Difference	Manufacturing Experience at WuXi Biologics
2,000L	12,000L	Disposable ~30% more expensive	MFG1 500+ batches
6 x 2,000L	12,000L	Disposable ~10% cheaper	MFG2 50+ batches
3 x 4,000L	12,000L	Disposable ~10% cheaper	MFG5 20+ batches
6 x 4,000L	12,000L	Disposable ~20% cheaper	MFG9
6 x 4,000L	25,000L	Disposable ~10% cheaper	MFG9
2,000L WuXiUP™	2,000L	Disposable ~30% cheaper	MFG1/MFG2 50+ batches
2,000L WuXiUP™	12,000L	Disposable ~10% cheaper	MFG1/MFG2 50+ batches

- Through scale-out (multiple-pack of disposable bioreactors) and WuXiUP™, disposable bioreactors can achieve similar or lower COGS as any stainless steel bioreactors
- Supported with 100+ batches of data across 10+ projects at WuXi Biologics

Single-Use Technology Pioneered by WuXi Bio

~44% Market Share in New Capacity, 65-70% in R&D

The Advantages of Single-Use Bioreactor



Less water resource consumed



No detergent, more environmental- friendly



Save projects switching time, more flexible, less CAPEX intensive

Single-Use Bioreactor Capacity Expansion and its Penetration Rate

New Capacity



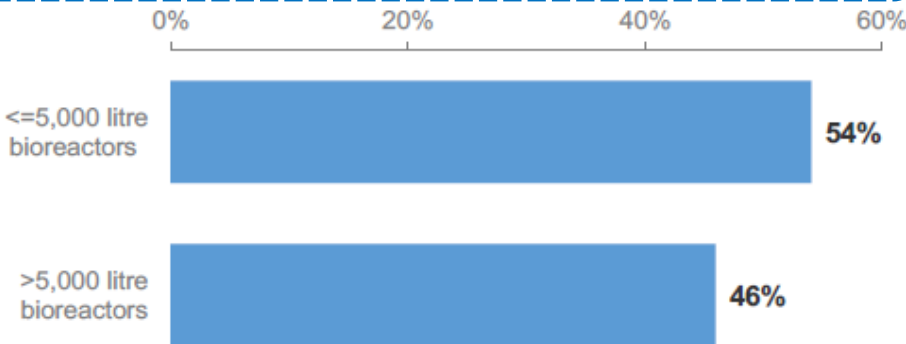
44%

CMO



36%

Biotech Companies Use more Single-Use Bioreactors for Capacity Expansion



The Application Rate of Single-Use Bioreactors in R&D and CMO Stage

R&D



65-70%

CMO

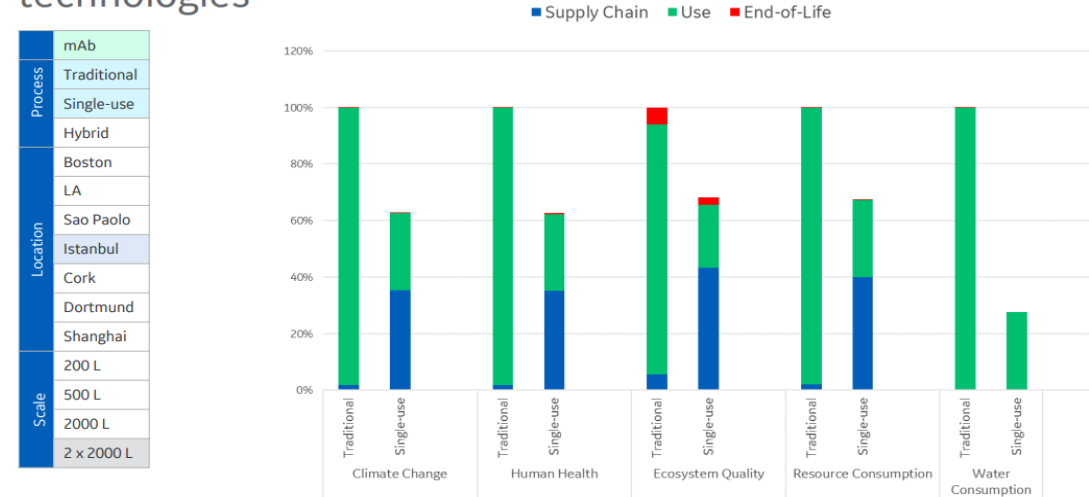


36%

Embracing ESG-friendly Disposable Technology to Protect Environment

- Launched one of the world's largest cGMP biologics manufacturing facilities using disposable bioreactors in Wuxi
- Significantly reduced the impact on environment
 - 70% water saving
 - 33% energy saving
 - 0 waste water generation
- Other advantages include:
 - Accelerate the R&D process
 - Improve product quality
 - Enhance production efficiency

Impact comparison for traditional and single-use process technologies

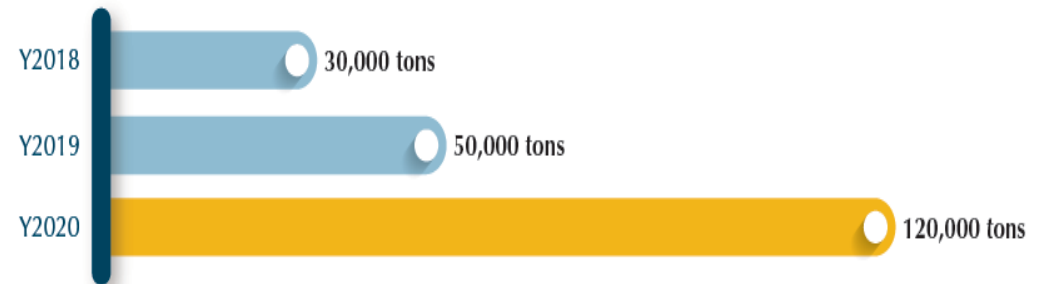


Single-Use Technology and Sustainability | 2017 BPSA International Single-Use Summit

13 July 2017

20

Annual water savings due to the adoption of SUT (estimated value)



ESG as an Important Component of Business Strategy

04

ESG Strategy Drives Long-term Success

GOVERNANCE

- ESG Committee Led by CEO, composition well diversified
- Compliance and Risk Management
- IP Protection and Data Security
- Anti-Bribery and Anti-Corruption



ENVIRONMENT

- Carbon Commitment
- Greener Technology
- Waste Management
- Water Stewardship



**Sustainable
Development**

RESPONSIBLE BUSINESS

- Fighting diseases and COVID-19
- End-to-End CRDMO Service Provider
- World-class Quality System
- Robust and sustainable Supply Chain



PEOPLE & COMMUNITY

- Talent Acquisition, Development and Diversity
- Health and Safety
- DEI & PROUD culture
- Give Back to Community



WuXi Biologics contributes to the implementation of the SDGs through its operations and cooperating with global partners

ESG Performance Highlights

GOVERNANCE

100%

Commitment of
ESG committee

100%

Participation rate
in compliance
training

100%

Participation rate in
anti-corruption and
anti-bribery training

0

Corruption cases

ENVIRONMENT

50%

Reduction target in
GHG emissions
intensity by 2030

18%

Reduction target in
water consumption
intensity by 2025

70%

Reduction in water
consumption by SUT
technology

100%

Water is properly treated
before being released into
the environment

RESPONSIBLE BUSINESS

22

Inspections by 10
regulatory agencies,
including FDA, EMA,
NMPA, etc.

9

Drugs
commercialized,
millions patients
benefited

470+

Customers
empowered
worldwide

1,500+ kg

Neutralizing antibodies
manufactured

PEOPLE & COMMUNITY

10,000+

Employees
worldwide ⁽¹⁾

53%

Female employees
in 2021

3,192

Volunteer service
hours performed in
local communities

10 million

RMB donated to aid
those affected by severe
flooding in Henan, China

Notes:

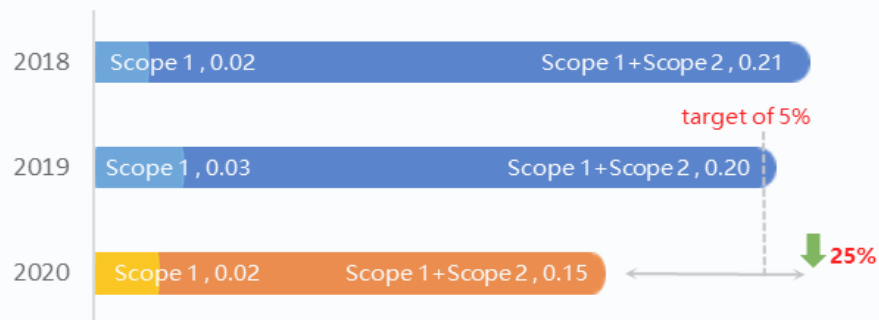
1. Data as of February 2022

2. As of Dec. 31, 2021

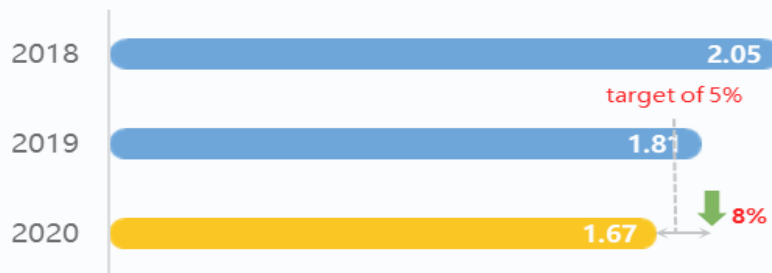
Effectively Reduce Energy Consumption and Emissions

In response to climate change, target minimum reduction of **5%** per year for GHG emission intensity
Improve resource efficiency, target minimum reduction of **3%** per year for water consumption intensity

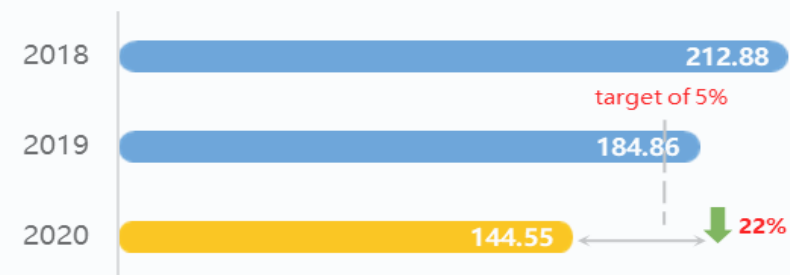
Intensity of greenhouse gas emission (tonnes/RMB0'000)



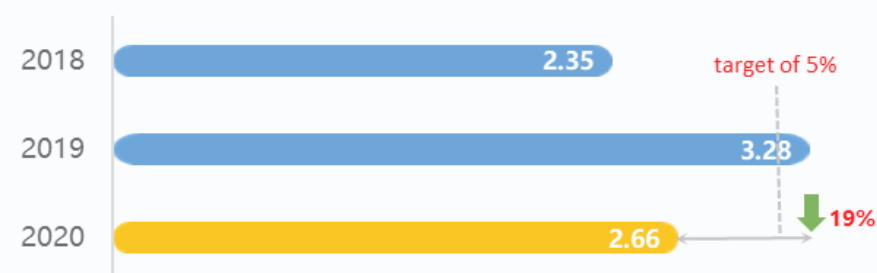
Intensity of water consumption (tonnes/RMB0'000)



Intensity of electricity consumption (kWh/RMB0'000)



Total Nitrogen Oxide emission (tonnes)



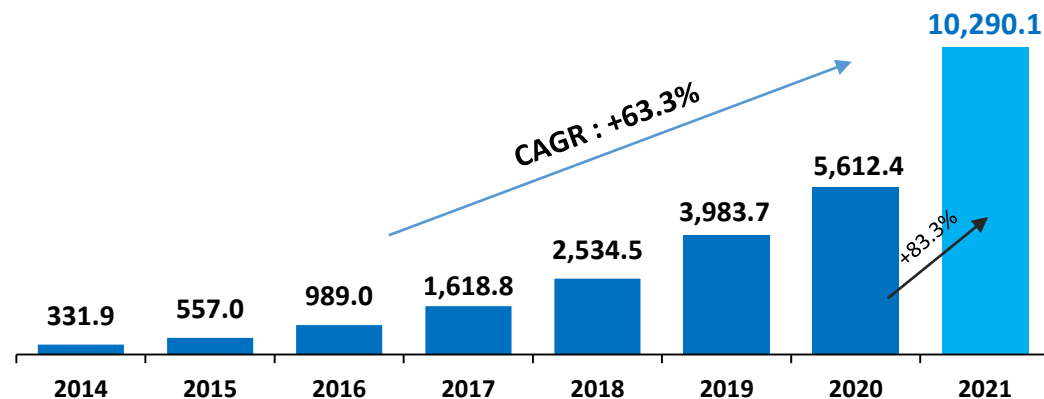
Financial Overview

05

Profitability Hit New Record

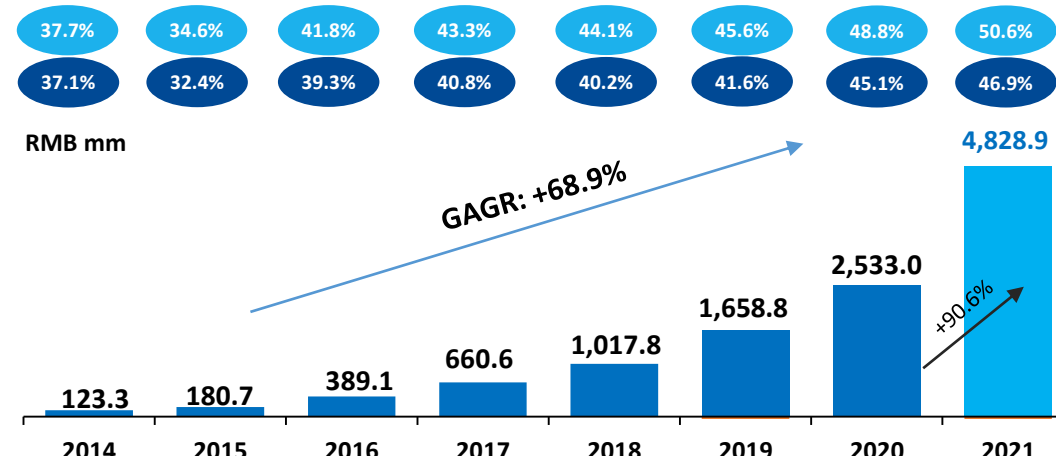
Revenue

RMB mm



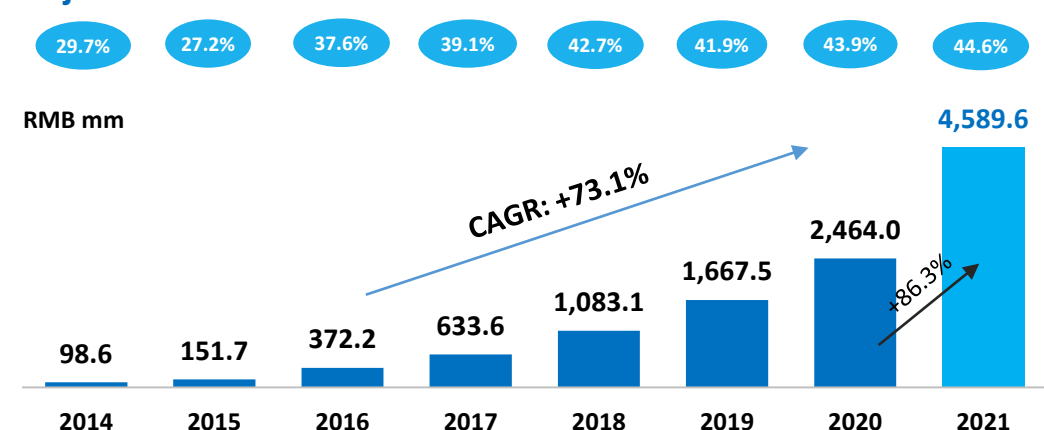
Gross Profit

RMB mm



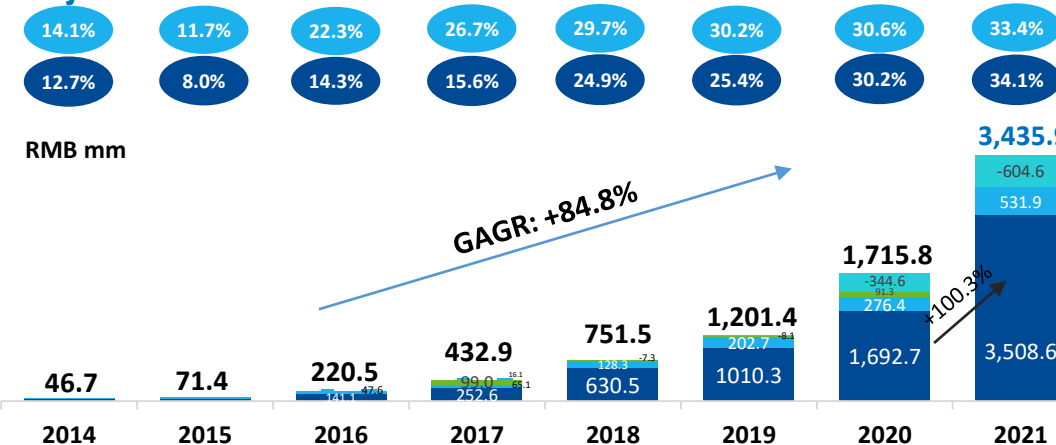
Adjusted EBITDA ⁽¹⁾

RMB mm



Adjusted Net Profit

RMB mm



Notes:

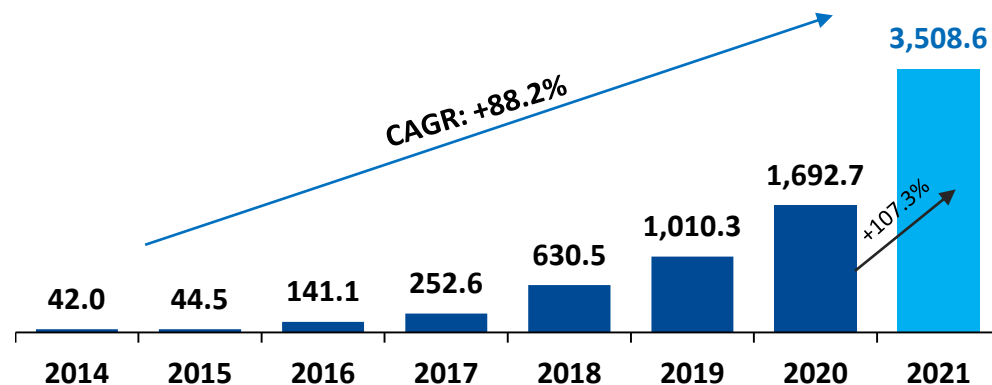
- Adjusted EBITDA represents net profit before (i) interest expenses, income tax expenses, listing expenses (gains)/losses and (iv) fair value gains on investment portfolios
- Adjusted net profit excludes the share-based compensation expenses, fair value gains on investment portfolios, foreign exchange (gains)/losses and listing expenses
- Refers to foreign exchange (gains)/losses
- Adjusted EBITDA and adjusted net profit of 2019 have been restated to further exclude the fair value gains on the Group's investment portfolios

Legend: Unadjusted Margin % (Dark Blue), Adjusted Margin % (Light Blue), SBC Impact (Medium Blue), FX Impact ⁽³⁾ (Green), Listing Expense (Light Blue), Investment Impact (Teal)

Sustained High Growth in Eight Years

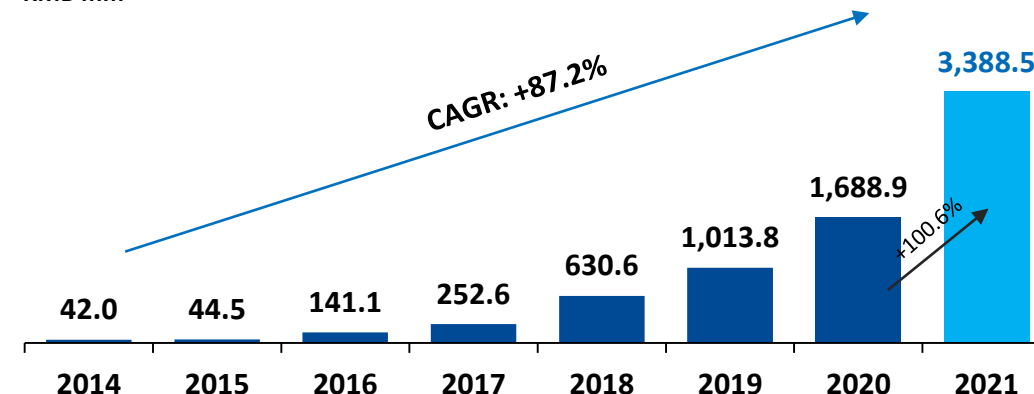
Net Profit

RMB mm



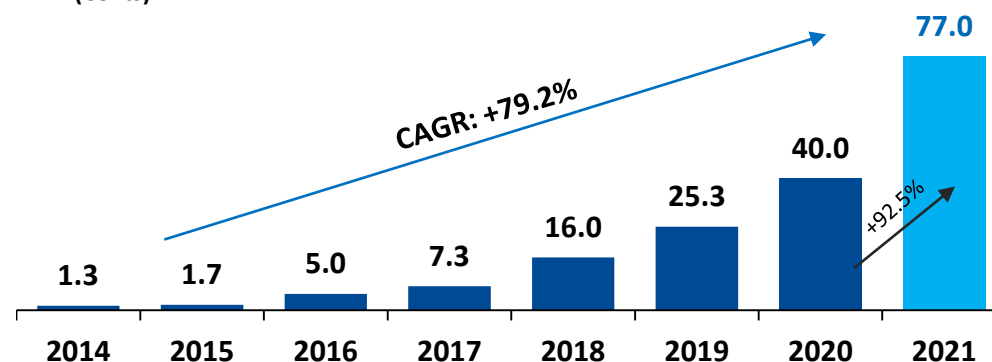
Net Profit Attributable to Owners of the Company

RMB mm



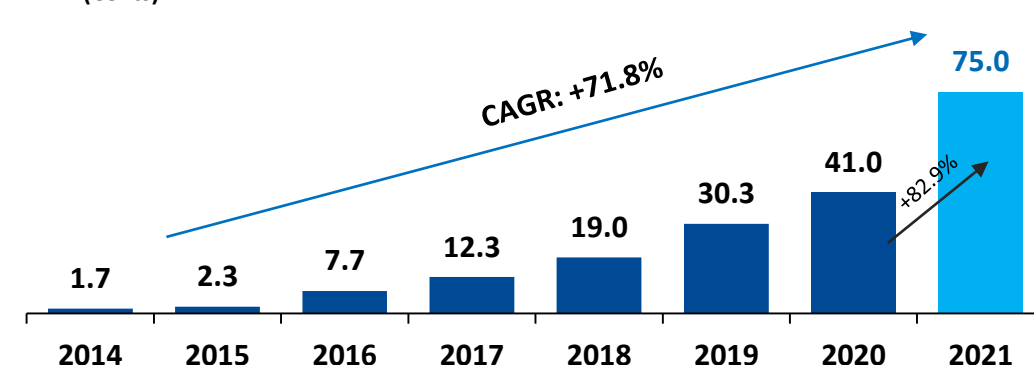
Diluted EPS ⁽¹⁾

RMB (Cents)



Adjusted Diluted EPS ⁽¹⁾

RMB (Cents)

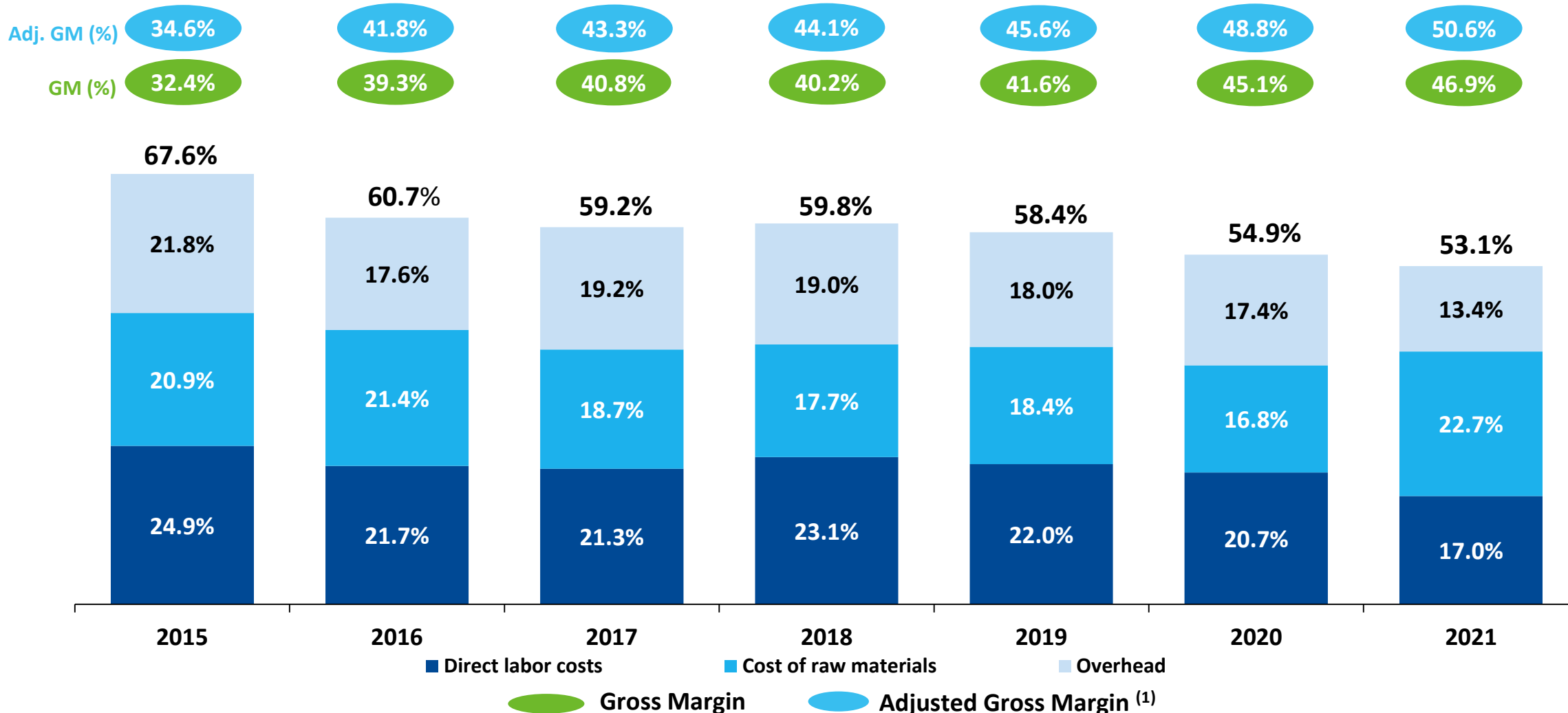


Note:

1. The authorized and issued shares of the Company were subdivided on the basis that every one (1) issued share is subdivided into three (3) subdivided shares (the "Share Subdivision"), which became effective on November 16, 2020. Basic and diluted earnings per share were stated after taking into account the effect of the Share Subdivision. Comparative figures have also been restated on the assumption that the Share Subdivision had been effective in the prior year

GP Margin: Continuous Improvements in Past 7 Years

Cost of Services as % of Revenue

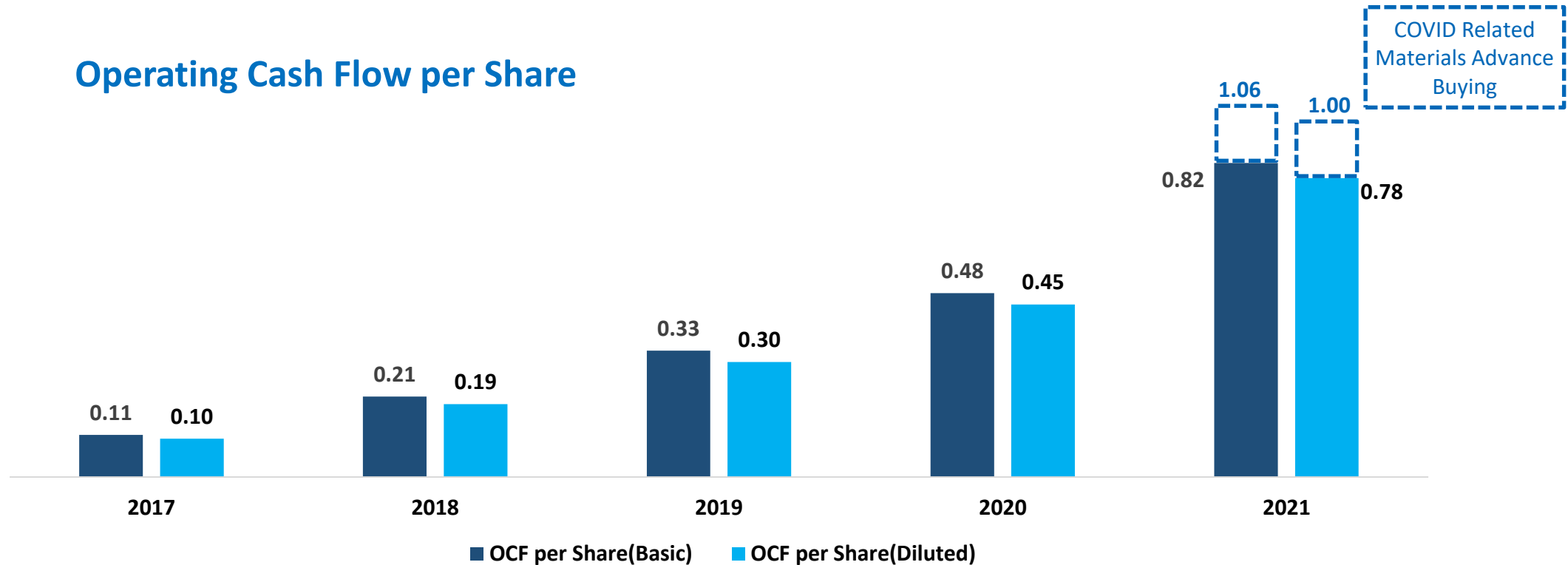


Note:

1. Adjusted gross margin excludes the share-based compensation expenses

Strong Operating Cash Flow Supports Future Capacity Expansion with Own Funding

Operating Cash Flow per Share



- Operating cash flow improved year by year, targeting free cash flow positive in 2022
- Operating cash flow generated in 2023 and beyond will support significant capacity expansion (300,000L capacity in China or 100,000L capacity outside of China)

Summary

06

Evolution of Biologics Service Companies: WuXi Biologics Leading the Industry as CRDMO

CMO: Contract
Manufacturing
1990s – 2000s

- **Business rationale:** mostly 2nd supplier for large pharmas to ensure robust supply chain
- **Core expertise:** large-scale manufacturing

CDMO: Contract
Development and
Manufacturing
2000s – 2015s

- **Business Rationale:** small and medium-sized biotechs need end-to-end one-stop shop services and often require external technology for new modalities: ADCs or bispecifics
- **Core expertise:** development technology and large-scale manufacturing

CRDMO: Contract
Research Development
and Manufacturing
2015s - present

- **Business Rationale:** innovation driven by small and medium-sized companies requires end-to-end services from ideas to commercial manufacturing
- **Core expertise:** discovery/development platforms and manufacturing
- **Newest trend of service companies:** **sticky business model which engages with partners 5-10 years earlier than traditional CMOs**

Global Premier CRDMO with Sustainable High Growth

WuXi Biologics as a Global CRDMO

- ~75% of 2021 revenue generated from global clients
- US Cranbury site ready for DNA to IND and Ireland/Germany IND-BLA: global network
- US\$3 bn investment and ~30% of development and manufacturing capacity in US, EU and Singapore

Sustainable High Growth for WuXi Biologics

- Innovation from global biotech
- Large pharmas continue to increase outsourcing
- Tremendous growth and needs in China and globally
- Huge unmet needs in developing countries
- Huge potential in vaccines

Global Premier CRDMO: Enable Global Partners and Deliver Sustainable High Growth

- 1** Despite sentiment changes of biotech investment and trade tensions, WuXi Biologics continues to see huge demand of services in US, EU, China and ROW: **138** organic growth projects plus **18** projects won from competitors (7 phase III & CMO) in 2021
- 2** Strong drivers for sustainable high growth : explosive growth of commercial manufacturing (M), strong growth of early and late phase projects (D) and milestone and royalty bearing discovery projects (R). **2022 outlook continues to be exciting**
- 3** Besides traditional small and medium-sized companies, large pharmas became core clients and now contribute **~40%** of total revenue
- 4** Combatting COVID-19: manufacturing of **THREE** Omicron-effective mAbs and **THREE** modalities of COVID-19 vaccines
- 5** In 2022 and beyond non-COVID programs will make up the revenue from decreasing COVID-19 projects and continue to deliver consistent high growth: **expect similar market share post COVID and post UVL**

Global Premier CRDMO: Enable Global Partners and Deliver Sustainable High Growth

- 6** Execution track record proven to satisfy and retain every client: **BETTER, FASTER AND CHEAPER**
- 7** Disruptive disposable technology with comparable or even **lower** cost compared with stainless steel tank
- 8** ESG continues to be at the core of our sustainability strategies
- 9** All operations and capacity expansion on track: supply chain constraints did not have meaningful revenue impact
- 10** Strong financial position to grow the business: as of Dec. 31 2021 **~RMB11 bn** of cash, targeting free cash flow positive in 2022

Appendix

2021 Financial Summary

	(RMB million)	2021	2020	Change
Revenue		10,290.1	5,612.4	83.3%
Cost of Sales and Services		(5,461.2)	(3,079.4)	
Gross Profit		4,828.9	2,533.0	90.6%
Other Income		196.6	220.1	
Impairment Losses, Net of Reversal		(156.7)	(121.1)	
Other Gains		665.6	283.4	
Selling and Marketing Expenses		(124.6)	(94.4)	
Administrative Expenses		(875.9)	(511.4)	
Research and Development Expenses		(501.6)	(303.7)	
Share of Profit (Loss) of an Associate		—	2.6	
Financing Costs		(39.2)	(42.7)	
Profit before Tax		3,993.1	1,965.8	103.1%
Income Tax Expenses		(484.5)	(273.1)	
Profit for the Year		3,508.6	1,692.7	107.3%
Earnings per Share – Basic (RMB)		0.81	0.43	
Earnings per Share – Diluted (RMB)		0.77	0.40	

Notes:

1. Results may not foot due to rounding

2. The authorized and issued shares of the Company were subdivided on the basis that every one (1) issued share is subdivided into three (3) subdivided shares (the “Share Subdivision”), which became effective on November 16, 2020. Basic and diluted earnings per share were stated after taking into account the effect of the Share Subdivision. Comparative figures have also been restated on the assumption that the Share Subdivision had been effective in the prior year.

Reconciliation for Adjusted Net Profit and Adjusted EBITDA

	(RMB million)	2021	2020	Change
<u>Adjusted Net Profit Reconciliation</u>				
Net Profit		3,508.6	1,692.7	
Share-based Compensation		531.9	276.4	
Foreign Exchange Loss		-	91.3	
Fair Value Gain on Equity Investments at FVTPL		(604.6)	(344.6)	
Adjusted Net Profit		3,435.9	1,715.8	100.3%
<u>Adjusted EBITDA Reconciliation</u>				
EBITDA		4,662.3	2,440.9	
Share-based Compensation		531.9	276.4	
Foreign Exchange Loss		-	91.3	
Fair Value Gain on Equity Investments at FVTPL		(604.6)	(344.6)	
Adjusted EBITDA		4,589.6	2,464.0	86.3%

Notes:

- Results may not foot due to rounding
- Adjusted EBITDA and adjusted net profit of 2019 have been restated to further exclude the fair value gains on the Group's investment portfolios

WuXi Bio Vision

“Every drug can be made and every disease can be treated” by building an open-access platform with the most comprehensive capabilities and technologies in the global biologics industry

