

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

*2022 Interim Results  
August 2022*



**WuXi Biologics**  
Global Solution Provider

Stock Code: 2269.HK

# Forward-Looking Statements

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

## Use of Adjusted Financial Measures (Non-IFRS Measures)

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

**01**

**2022 Interim Results**

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**02**

**Global Leading DP CDMO**

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**03**

**Successful Integrations  
post Acquisitions**

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**04**

**ESG as an Important Component  
of Business Strategy**

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**05**

**Financial Overview**

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**Summary**

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**Appendix**

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**2022 Interim Results**

***01***

**408** <sup>30.9%</sup> → **534**

Integrated Projects YOY

**72.6%**

Non-COVID Projects Revenue Growth (YOY)

**59 / 4** <sup>250%</sup> → **14**

New Projects Added /  
Commercial Projects YOY

**12.5** → **18.5**

Total Backlog (US\$ Bn) YOY

**154KL** → **262KL**

Capacity from 2021 to 2022

**10,593/3,414**

Employees/Scientists



**4.41** <sup>63.5%</sup> → **7.21**

Revenue (RMB Bn) YOY

**52.1%** → **47.4%**

Gross Profit Margin YOY

**1.81** <sup>60.9%</sup> → **2.91**

Adj Net Profit (RMB Bn) YoY

**41.1%** → **40.4%**

Adj Net Profit Margin YOY

**52.6%** → **51.2%**

Adj EBITDA Margin YOY

**0.42** <sup>38.1%</sup> → **0.58**

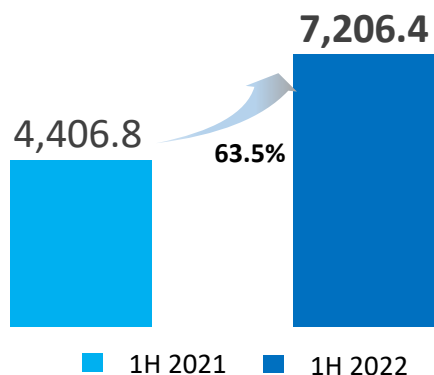
Diluted EPS (RMB) YoY

1H 2022

# Revenue, Profit and Margins Continued Strong Growth

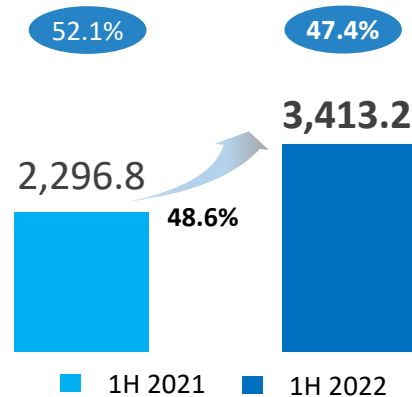
## Revenue

RMB  
(mm)



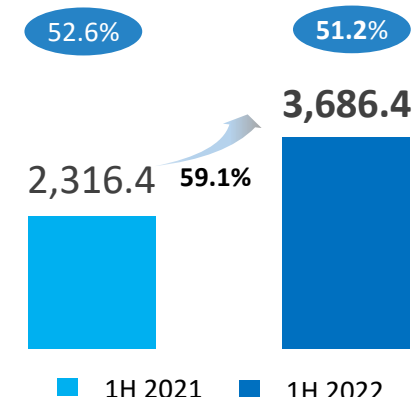
## Gross Profit

GP Margin



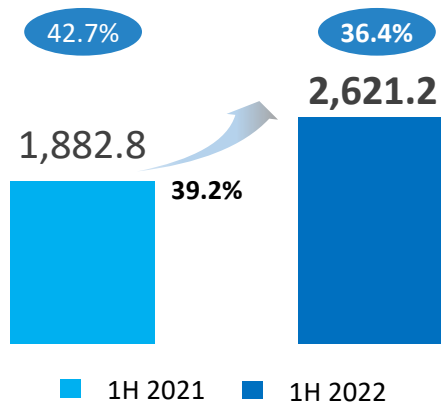
## Adj EBITDA

Adj  
EBITDA  
Margin



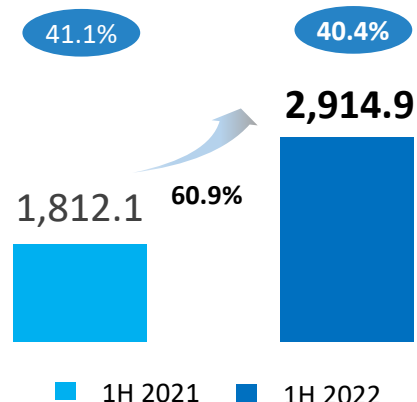
## Net Profit

Margin



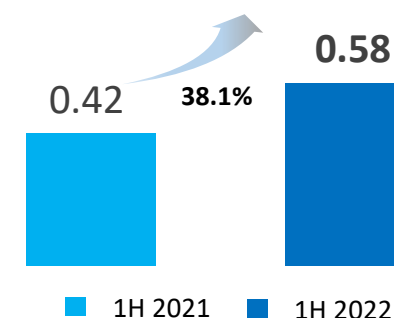
## Adj Net Profit

Margin



## Diluted EPS

RMB





# Key Financials

## AVAILABLE FUNDS

- Available funds approx. **RMB9.9 bn** as of June 30, 2022
- Total Liability to Equity Ratio **33.8%**, expect to have sufficient funds for capacity expansion, no plan to issue any equity to raise cash

## LOAN

- Approx. **RMB2.9 bn** borrowings as of June 30, 2022
- Maintains bank credit facilities of around **RMB3.5 bn**
- Operating cash flow of **RMB1.5 bn**, **82.7%** 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

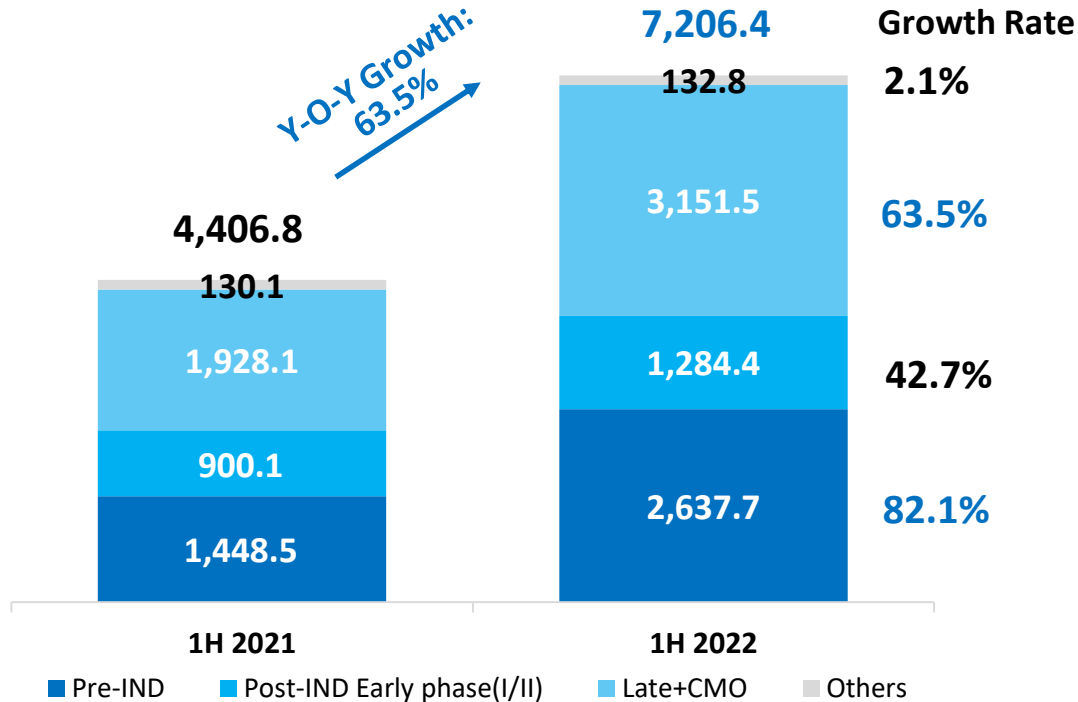
## CAPEX

- 1H 2022 CAPEX approx. **RMB2.7 bn**, mainly for capacity expansion in Europe, China and U.S.
- 2022 CAPEX plan: approx. **RMB5.5 bn**, 2023 and 2024: approx. **RMB6.5 bn each year from company funds**

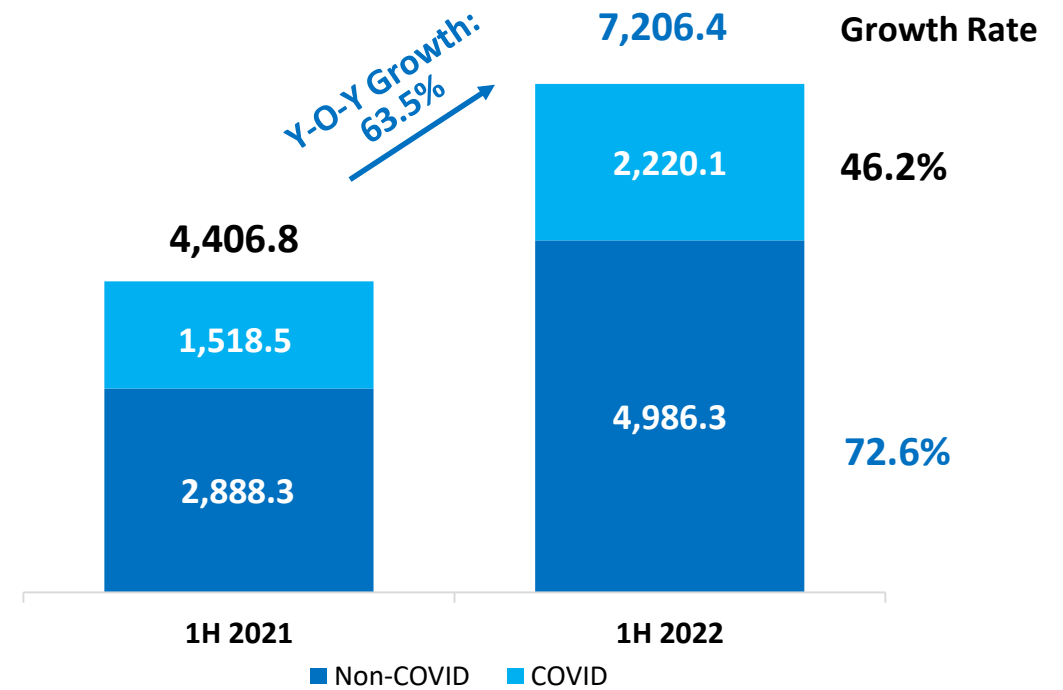
# All Engines Firing and Delivered Significant Revenue Growth in 1H 2022

RMB  
(mm)

## By Project Phase



## COVID VS Non-COVID



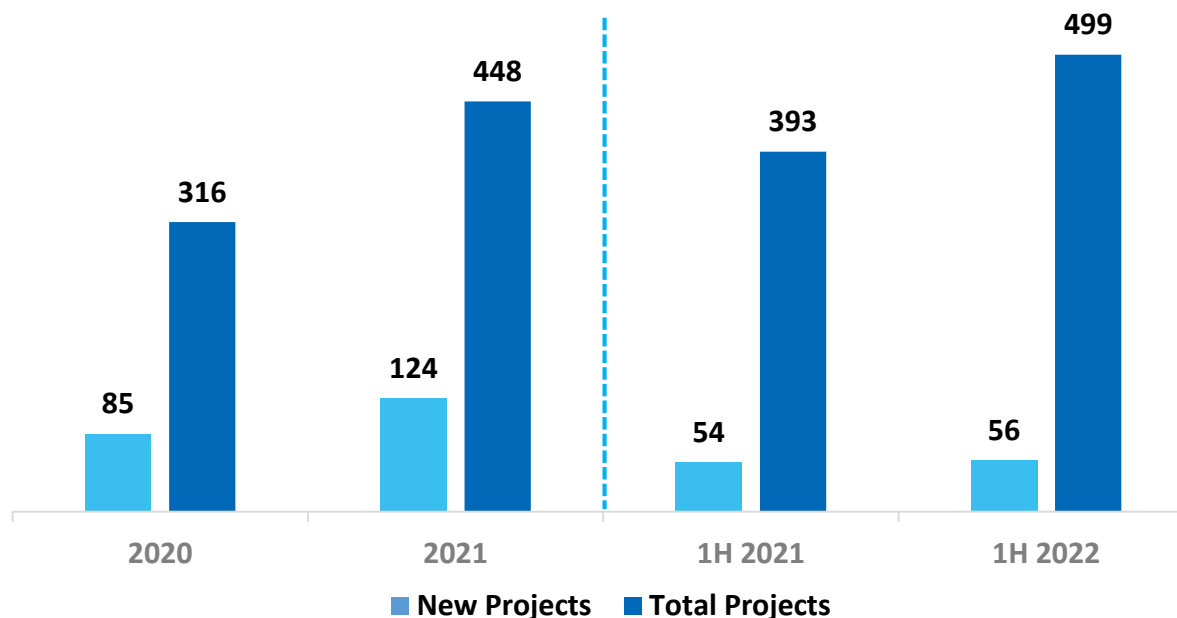
- Both pre-IND and Late-phase and CMO contributed more revenue and drove the growth since 2021 thanks to “follow and win the molecule” strategies

- Non-COVID projects delivered strong growth momentum and contributed more to the revenue growth, non-COVID revenue expects to grow 65% in 2022
- COVID projects demonstrated the power of the Group’s technology platforms and strong execution, thus the visibility in R&D and commercial manufacturing is further enhanced, allowing the Group to win more trust from global clients

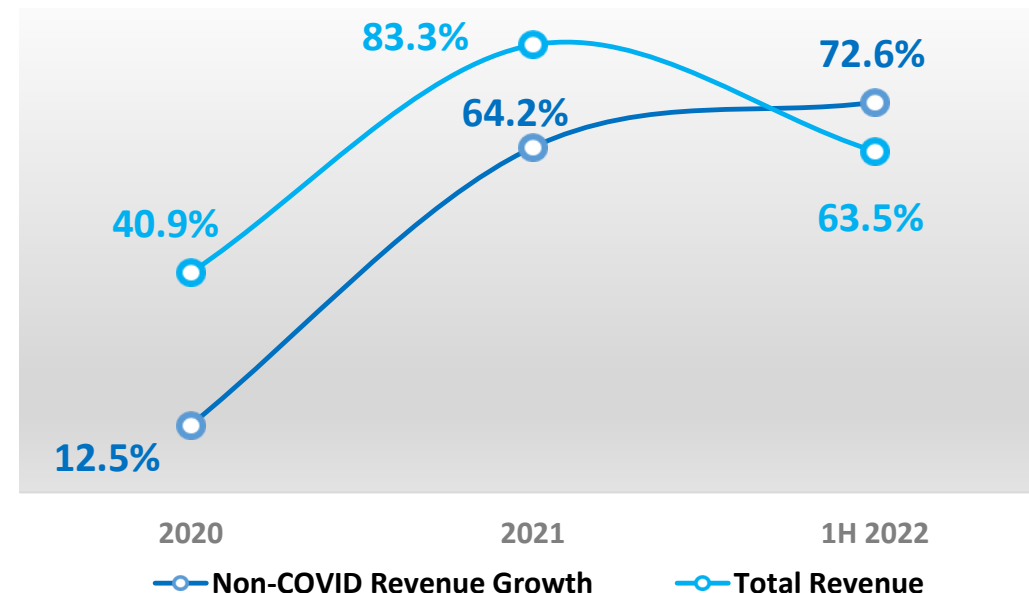


# Non-COVID Projects Driving Growth with Strong Momentum

## Growth of Non-COVID Project Number



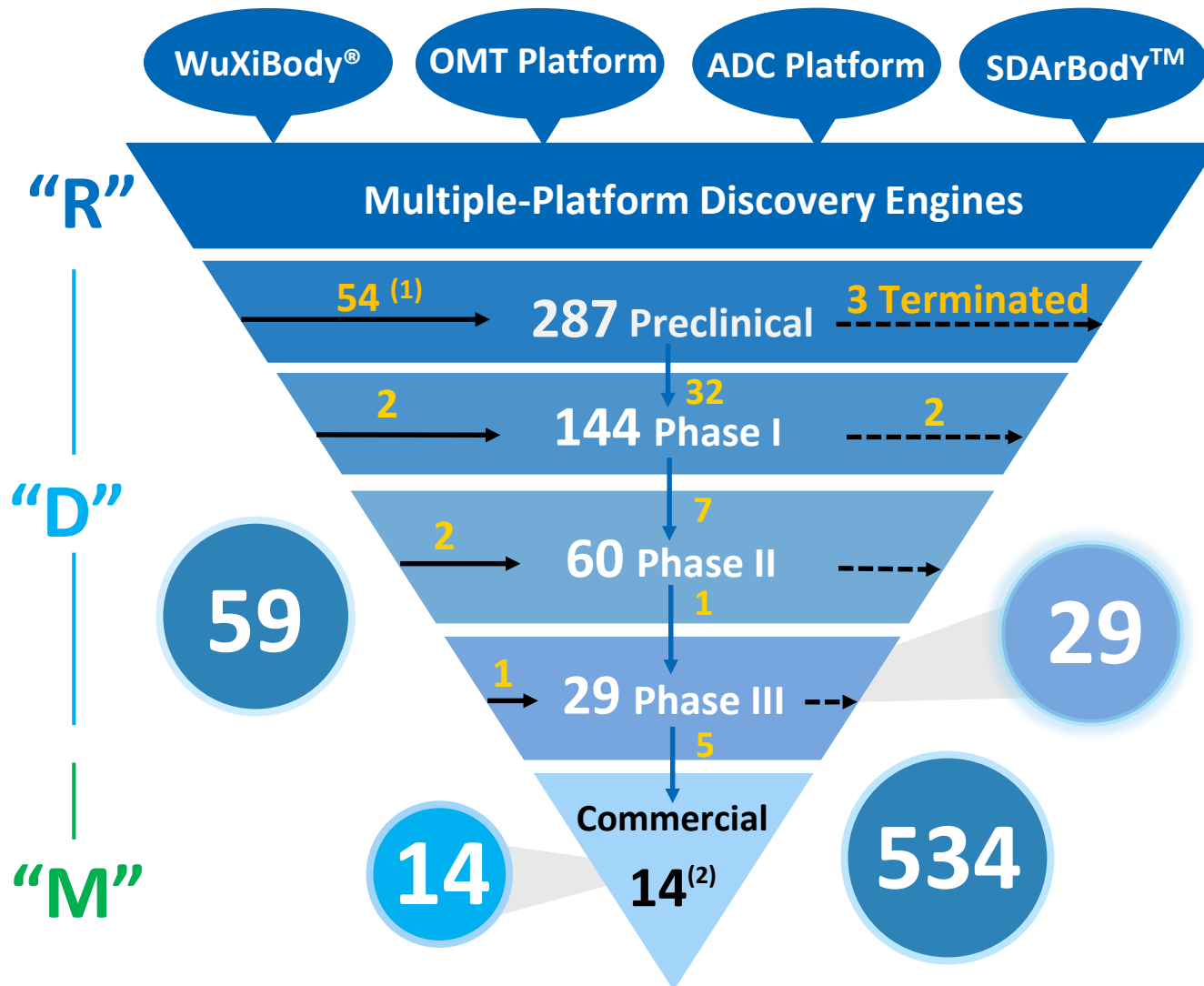
## Growth of Total Revenue and Non-COVID Revenue



- Despite additional contributions from COVID-19 projects, the number of **non-COVID projects grew much stronger** due to unique CRDMO business model, advanced R&D capabilities, excellent execution, validated quality system and proven track record
- The revenue contribution derived from Non-COVID projects **increased more significantly** than COVID projects, and Non-COVID revenue growth is even stronger than total revenue growth in 1H 2022
- With more inflow of the non-COVID projects, the visibility of the robust business momentum is high and these projects are set to be the growth engine for the Group going forward

# Stronger Business Momentum in 1H 2022

- Business continues to accelerate despite biotech funding slowdown, UVL and Shanghai COVID outbreak
- **59** new integrated projects added as of June 30, 2022, total **1,100+** CDO projects
- **“Win-the-Molecule”** Strategy continued to excel: **5** external projects transferred into the pipeline as of June 30, 2022, **10+** phase III/Commercial projects under negotiations
- **14** commercial projects as of June 30, 2022, accelerating business momentum to fuel the future growth
- Signed **two US\$100+ mm** MFG contracts with two large pharma
- **RMB20+ mm** royalty income in 1H 2022, a milestone for the Group

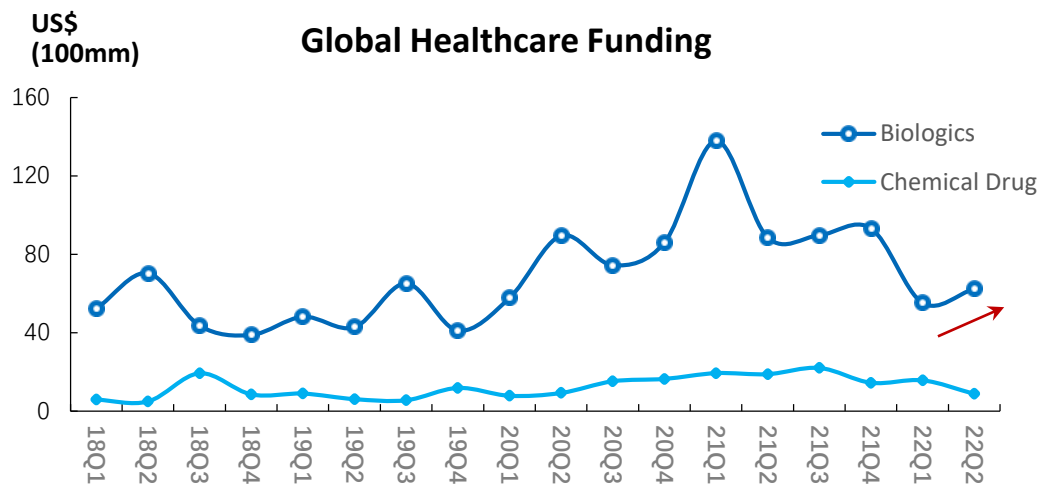


Notes:

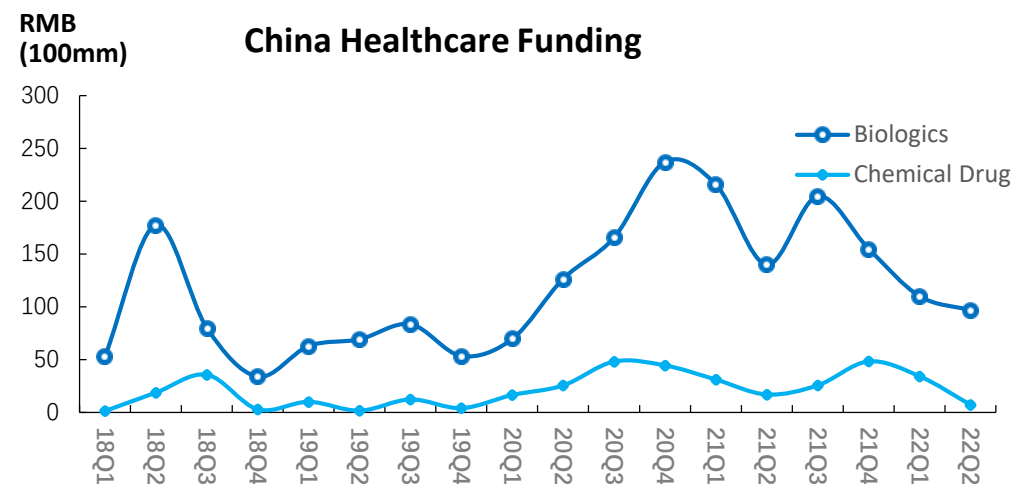
1. As of June 30, 2022

2. The commercial manufacturing projects refer to the projects approved by regulatory authorities and signed CMO contracts with the Group

# Global Biotech Funding Rebounds and Global Pipeline Continues to Expand

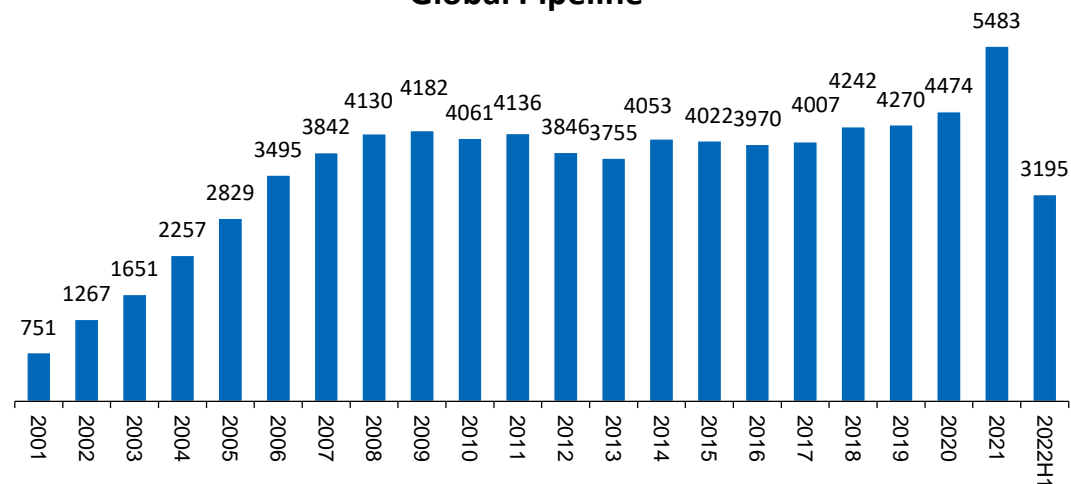


Source: VBDATA



Source: VBDATA

## Global Pipeline



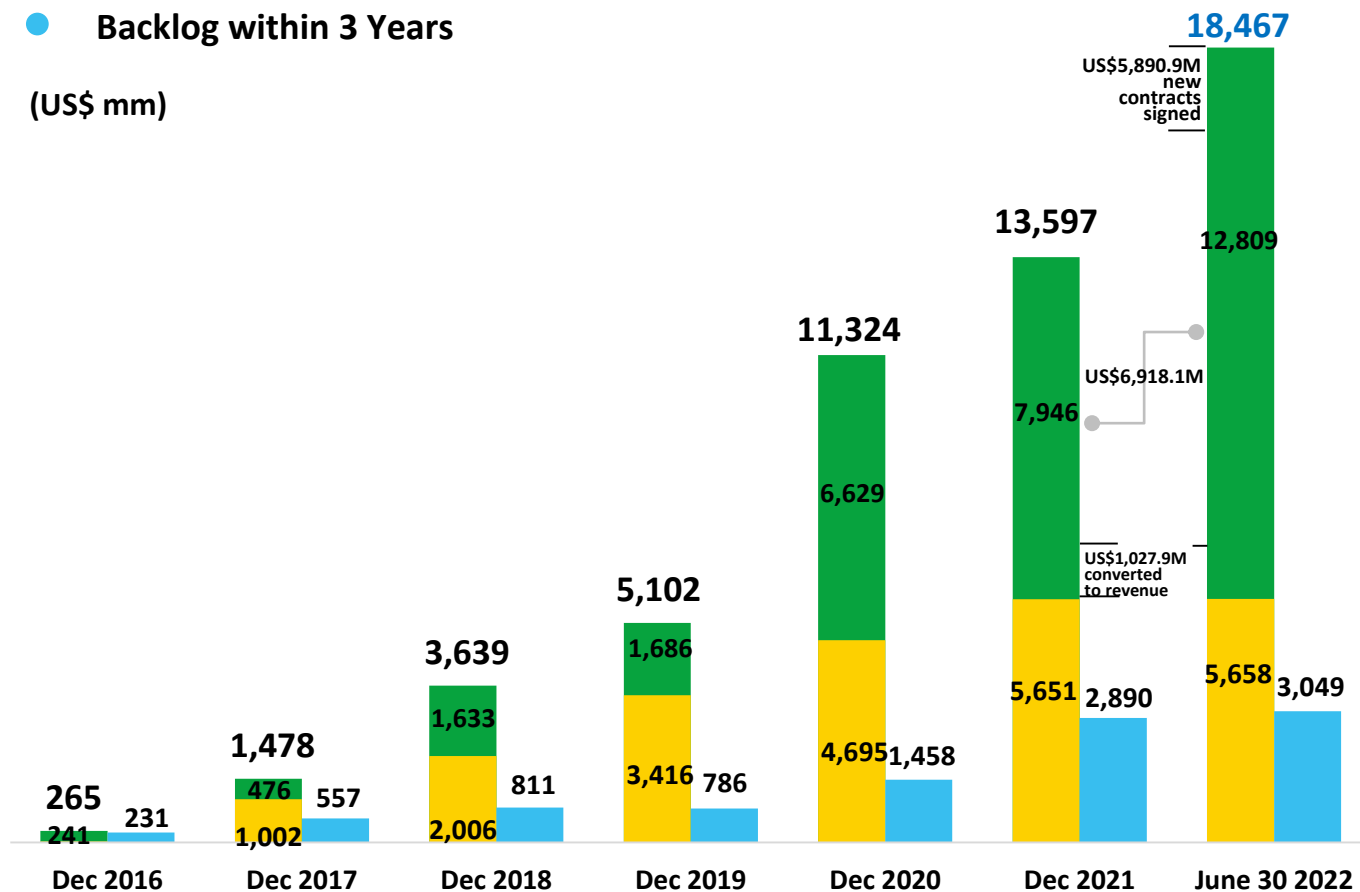
Source: clinicaltrials.gov

- Global biotech funding recovers in Q2 2022, despite the slowdown in Q1
- China biotech funding presents the decelerating trend
- The global pipeline continues to expand despite limited funding challenges

# Strong Backlog Underpins Future Performance

- Service Backlog
- Upcoming Potential Milestone Fees <sup>(1)</sup>
- Backlog within 3 Years

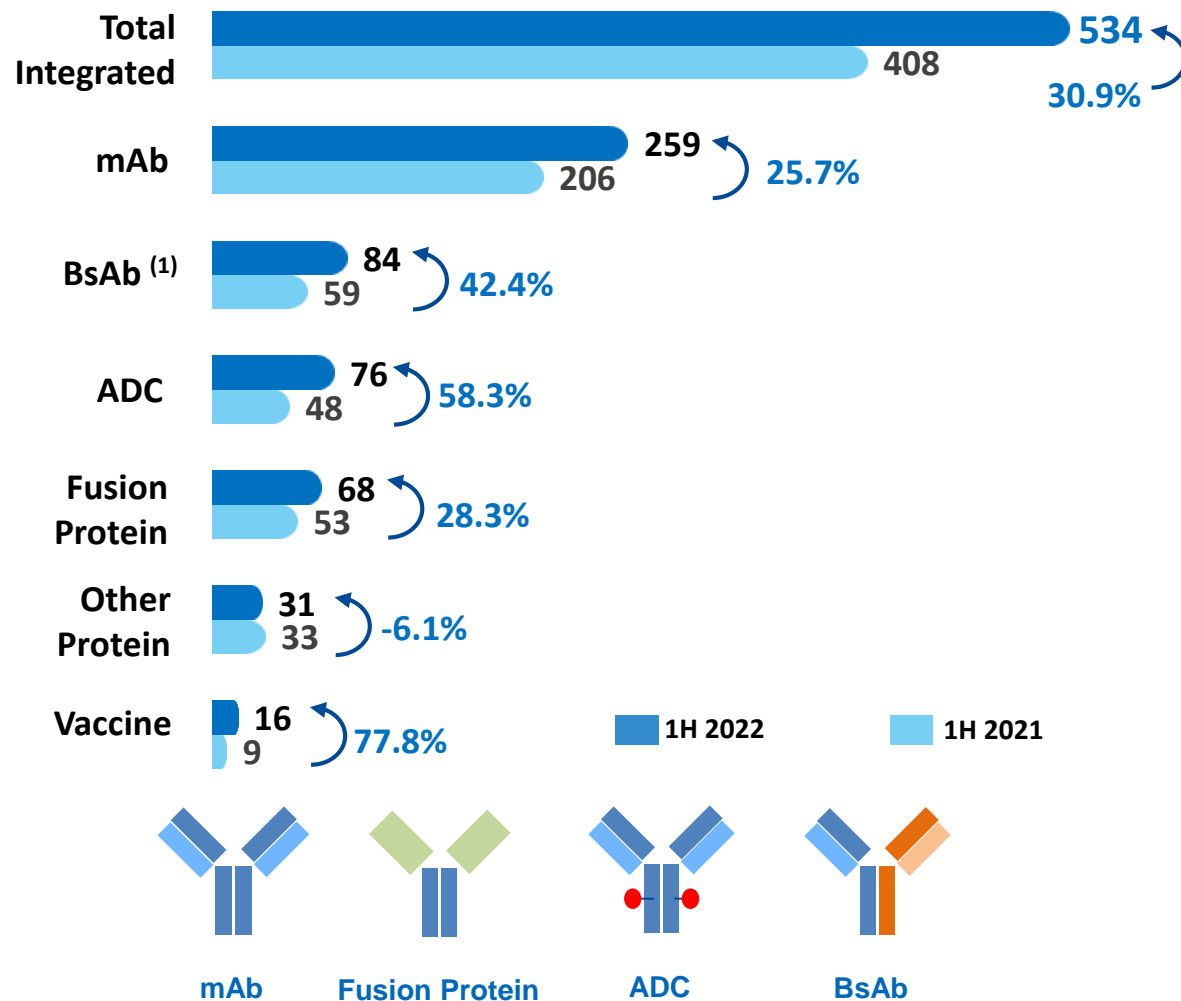
(US\$ mm)



- As of Jun 30, 2022, total backlog increased to **US\$18.5 bn**. Strong momentum continued
- Upcoming potential milestone backlog reached **US\$5.7 bn**, benefiting from technology enabling platforms and unique CRDMO business model
- As of Jun 30, 2022, backlog within 3 years increased to **US\$3.0 bn**, providing high visibility of strong short-term growth
- **US\$12.8 bn** service backlog as of Jun 30, 2022 due to growth of CMO pipeline, providing high visibility of mid-to-long-term growth
- **~85%** of total backlog is for year 3 beyond while **~15%** 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



**204 First-in-class programs**



**Increase to 16 vaccine projects, including 10 non-COVID vaccines**



**76 ADC projects with 58.3% yoy growth rate driven by increasing industry demands**



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



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

**Notes:**

1. As of June 30, 2022, compared with projects number as of June 30, 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

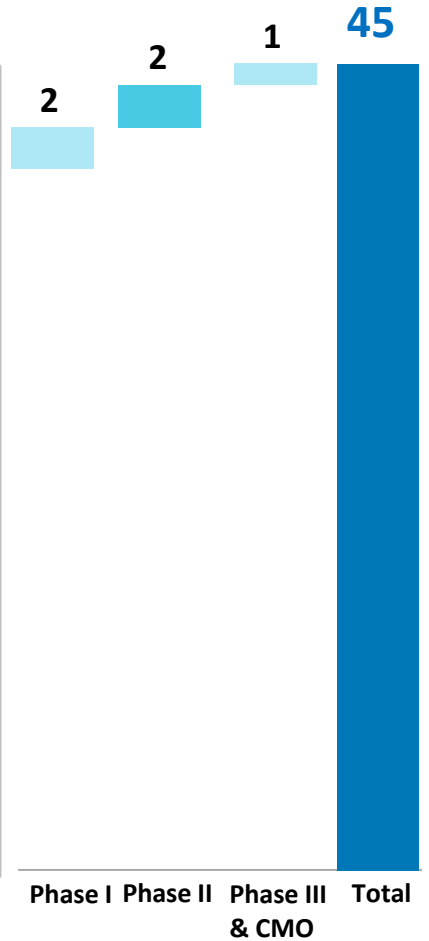
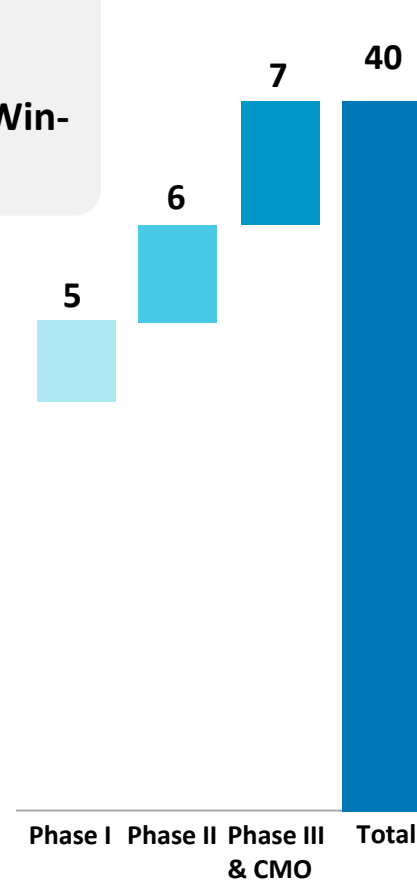
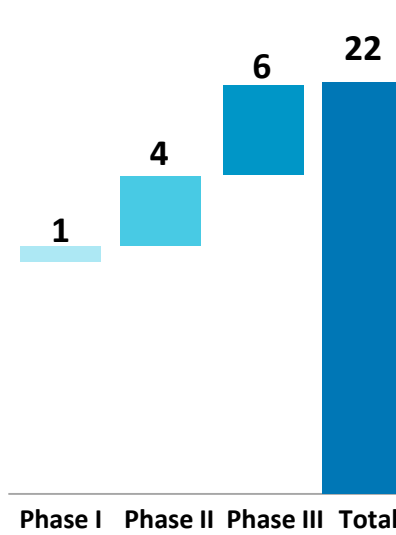
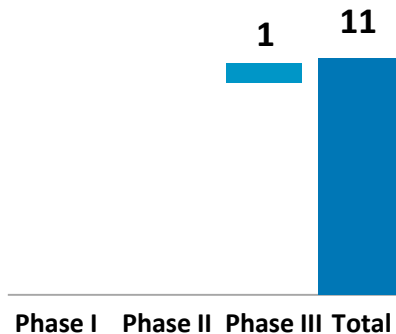
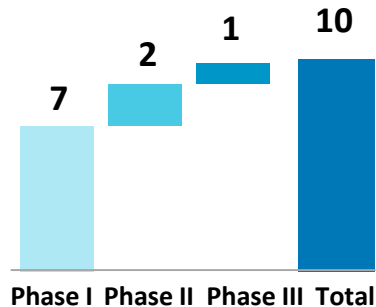
2019

2020

2021

2022.06.30

- Total 45 projects at different stages (Phase I, II and III + CMO) transferred from global CDMOs to WuXi Biologics since 2018: 16 phase III & CMO projects will drive significant near-term growth
- Excellent execution, best timeline and leading technology underpin “Win-the-Molecule” strategy





# “Win-the-Molecule” from Large Pharma Driving Long-term Commercial MFG: 10+ Late Phase Programs in Discussions

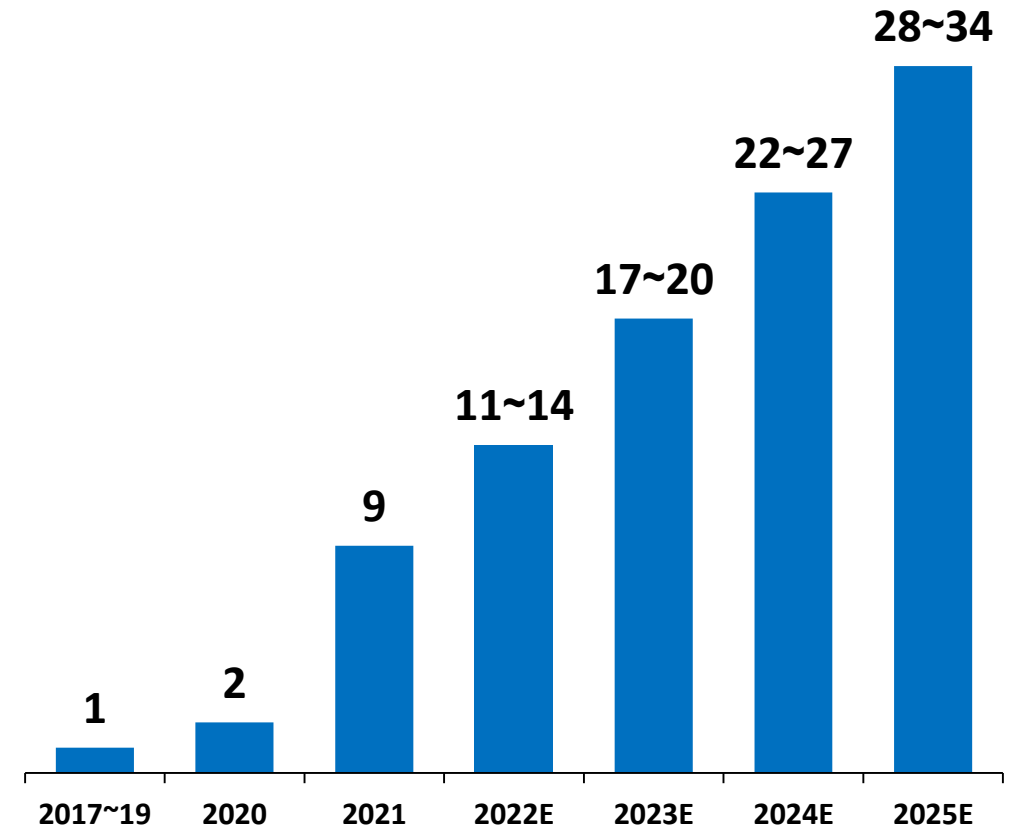
- 1 European Pharma: 5 internally developed mAbs at 12K commercial scale across global sites MFG 5/7/8
- 2 EU Pharma B: mab biosimilar launched in global markets
- 3 EU Pharma C: pushing ahead with commercial launch of ADC program
- 4 USA Pharma D: late stage Tech Transfer of Vaccine program for commercial launch
- 5 USA Pharma E: Internal pipeline of mAbs at 4K and 12K commercial scale across global sites

*Reputation and strong brand recognition for “best in class” operational excellence. Superior Technical Capabilities, Quality, reliability and industry leading timelines for projects, creates a winning formula of trust and operational excellence and delivery for our clients*

# Banner Year for Commercial Manufacturing: from 2021 and Beyond

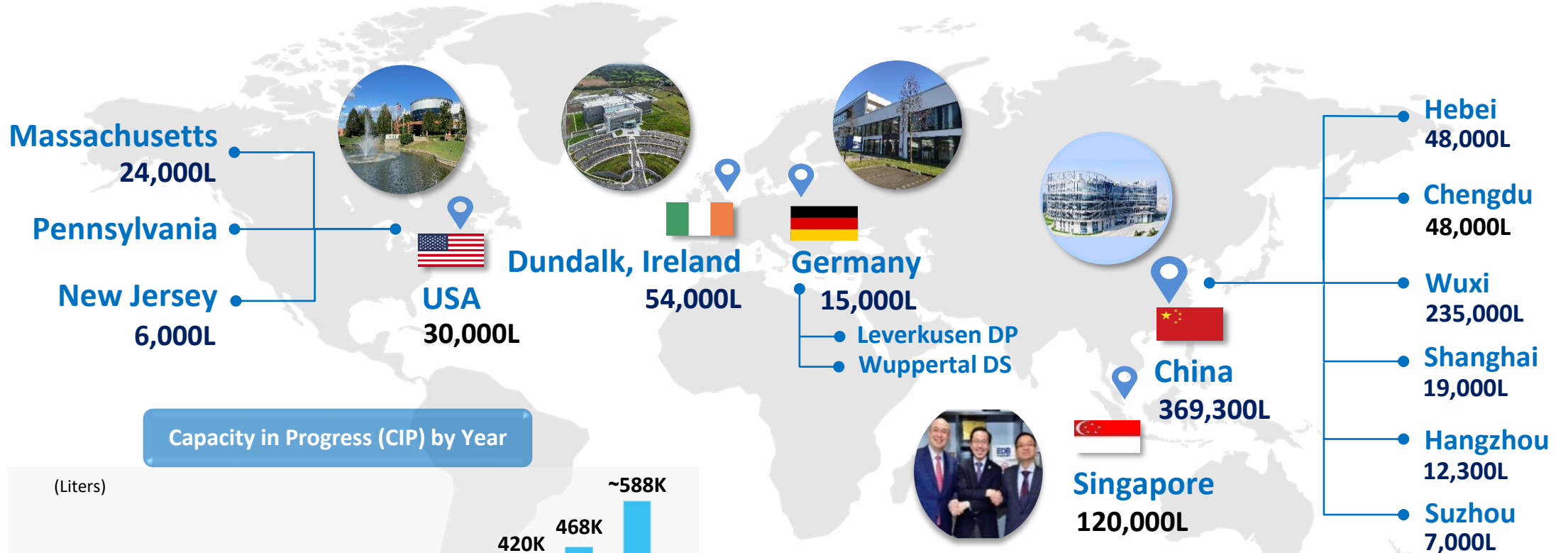
- CMO banner year from 2021 and beyond
- Total **14** commercial projects as of June 30, 2022, including **6** via “Win-the-Molecule” strategy
- **6** COVID-19 commercial projects and **8** non-COVID-19 commercial projects, diversified CMO pipeline
- **30+** commercial manufacturing expected in 2025

Explosive CMO Revenue Growth Expected Based on current portfolio and Potential “Win-the-Molecule” projects

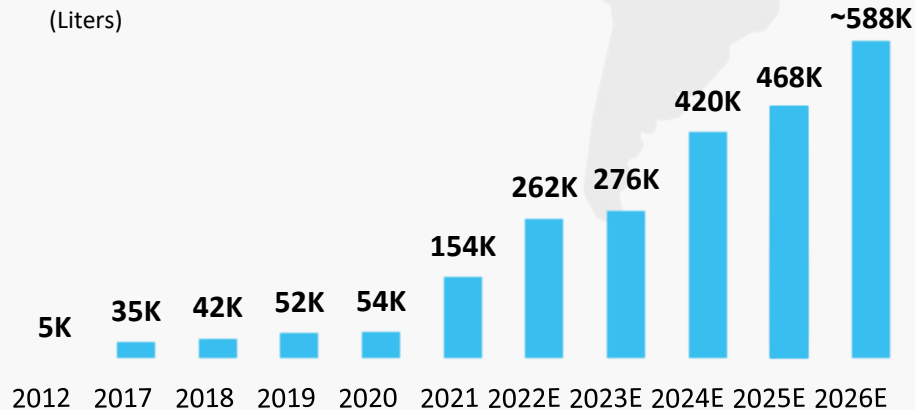


# WuXi Bio's Global Network to Enable Partners

## 580K Capacity after 2026: Total US\$3 Bn Investment outside China



Capacity in Progress (CIP) by Year



Well-positioned for the era of innovative biologics. A robust global network with ~580,000 L capacity in place to enable our partners over the world

# Parallel Supply Chain Fully Established in U.S./EU to Support Robust Growth



- **MFG18, the first clinical manufacturing facility in U.S., started GMP operations**
- **Hosted 19 client visits and signed US\$54 mm contracts 1H 2022**
- **Attracted 10+ new clients to WuXi Bio**

- **MFG6/7 in Ireland is expected to be GMP release in Q4 2022**
- **Tech transfer of 3 projects ongoing**
- **5+ Win-the-Molecule Large scale manufacturing projects in discussions**

- **DP7: EU GMP certified within 12 months of operations**
- **10 mm doses released in 2021**
- **Tech transfer of 2 projects ongoing**

- **Construction on track to complete building steel work by end of 2022, GMP operation targeted in 2024**
- **Another choice in the U.S. within WuXi Bio global network, enable seamless tech transfer among U.S. sites**

- **Despite COVID-19, recruited 800+ employees in U.S. and EU**
- **Expected to add ~400 employees for U.S. and EU sites this year**

**MFG18 in New Jersey, U.S.**

**MFG6/7 in Dundalk, Ireland**

**DP7 in Leverkusen, Germany**

**MFG11 in Worcester, U.S.**

**Employees in U.S. and EU**

# New CRDMO Center in Singapore to Meet Unmet Needs and Further Strengthen Global Supply Chain

## Investment Plan

A 10-year US\$1.4 billion (\$2 billion) investment plan to establish a cutting-edge, fully integrated CRDMO center in Singapore, including a R&D service center and large-scale DS and DP manufacturing facilities for biologics

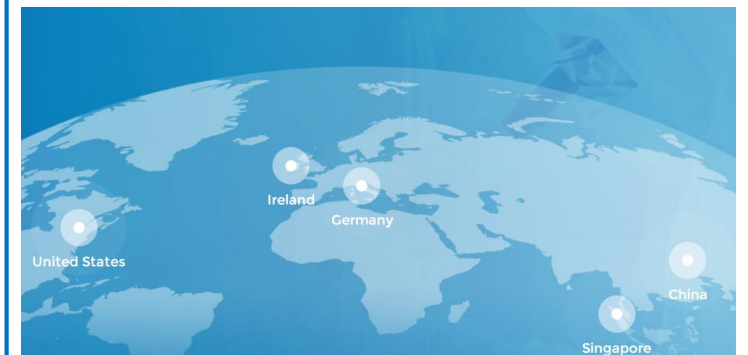
## Capacity

This new site will add 120,000L biomanufacturing capacity to WuXi Biologics' global network by 2026 and is anticipated to employ 1,500 research, development and manufacturing staff when complete

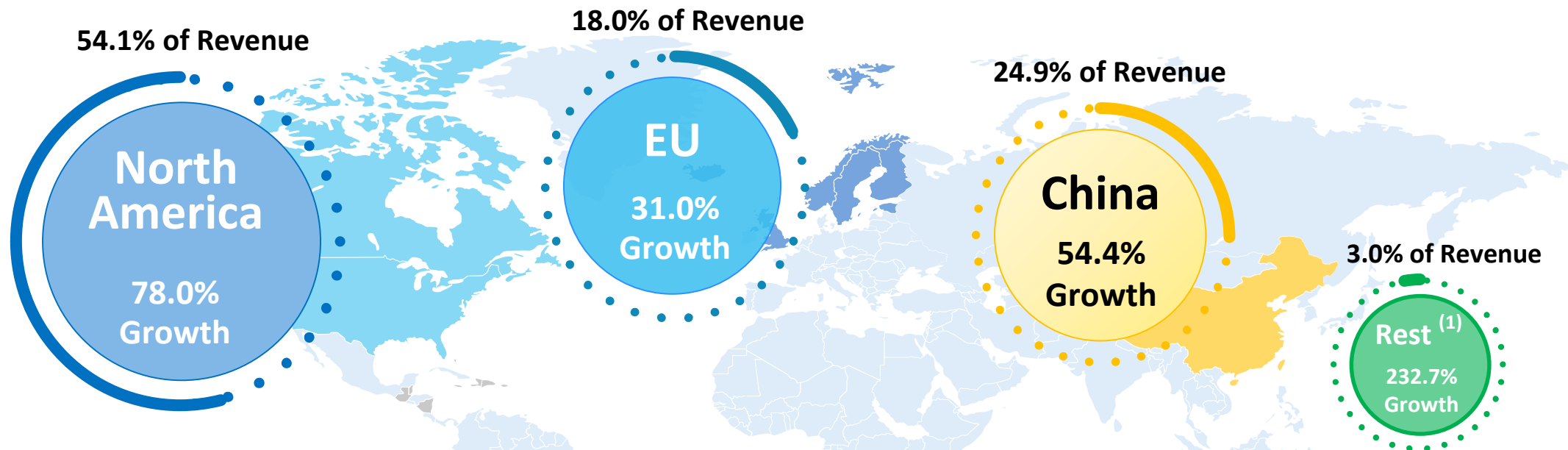
## Target

The investment strengthens WuXi Biologics' global research, development and manufacturing network with more robust nodes to meet the growing demand from clients worldwide for end-to-end services, and continues to enable its Global Dual Sourcing strategy

WuXi Biologics  
Global Solution Provider



# Sustained High Growth with Diverse Engines



- **North America:** the biggest market with robust growth of 78.0%. Continue to see accelerated demands from both small biotechs and large pharmas in NA, 50%+ new projects and 32 new customers were added from this region 1H 2022
- **China:** Resumed exciting growth despite the uncertainties from policies in Chinese market and funding slowdown
- **Europe:** Despite the high base in 1H 2021 due to COVID projects, EU still maintained solid growth of 31.0% with increased collaboration with global top pharmas with local fulfillment capabilities in Ireland and Germany, more growth potential is expected

**Note:**

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



# WuXi Biologics Continued to Make Significant Contributions to Combat COVID-19



- GSK/Vir's antibody **FDA** **EUA** approval
- Established strategic partnership with AstraZeneca for Evusheld for global and local supplies
- Bii NMPA approval



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

- **RMB2+ bn revenue** in 1H 2022
- **RMB ~3 bn** contracted in 2022, on par with 2021
- Currently expecting **RMB 1 bn** revenue in 2023



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

**Note:**

1. As of June 30, 2022

# Excellent Operational Metrics

## Track Record

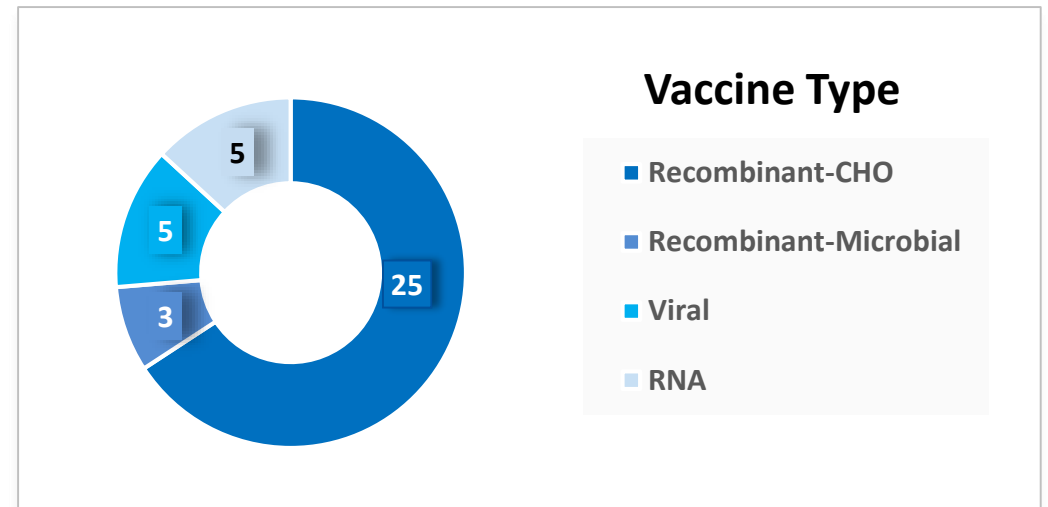
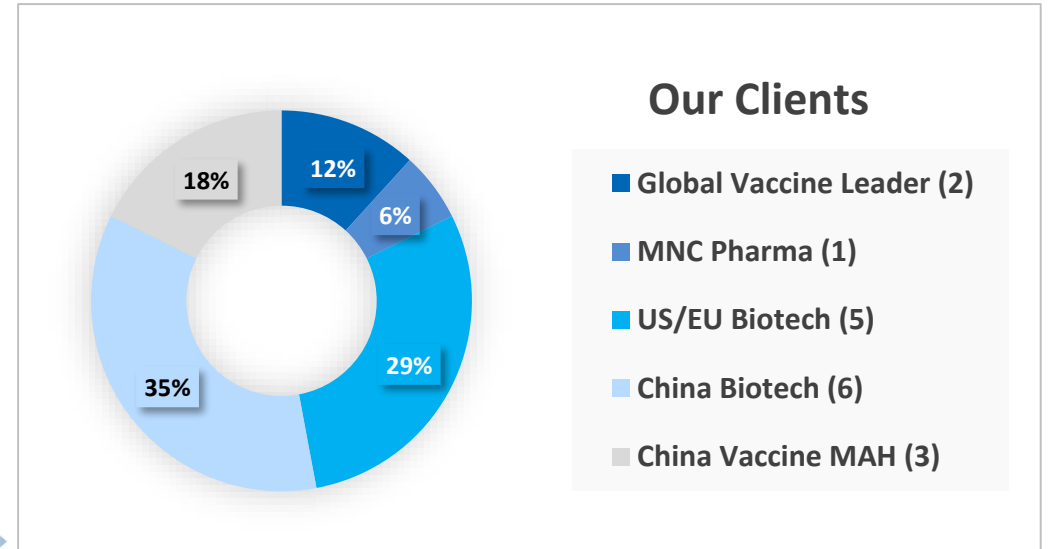
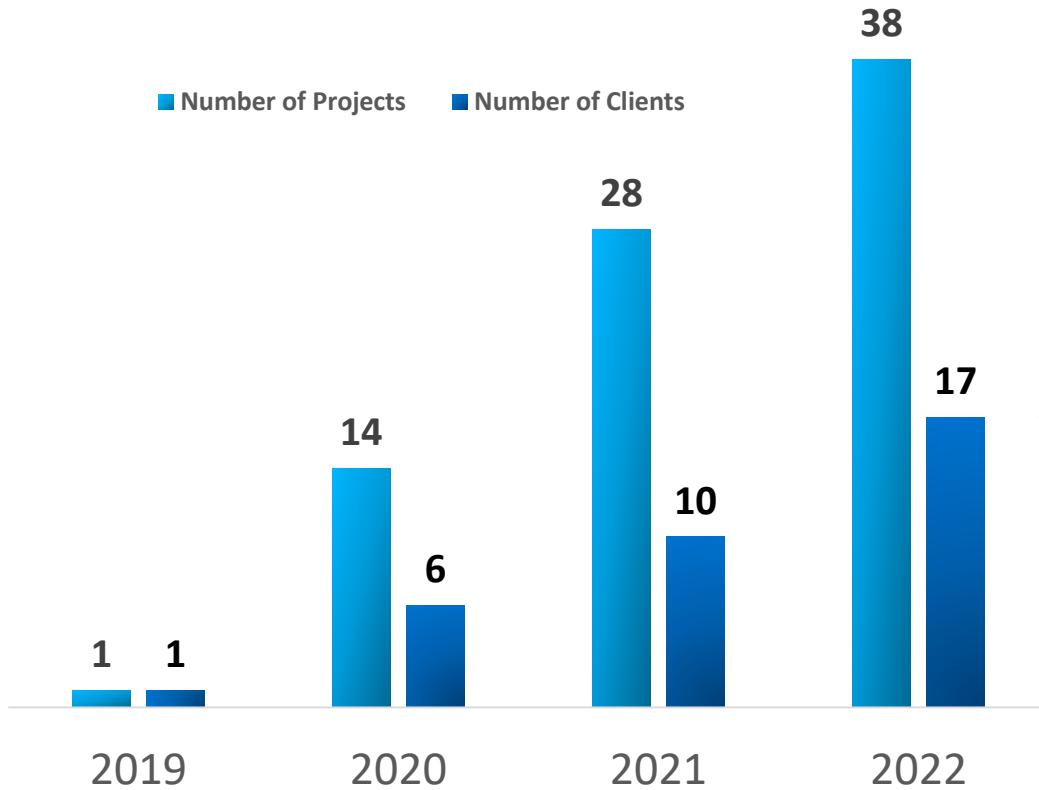
- Enabled total **315** INDs, **20** BLA/MAAs approved and 8 EUA approved as of June 30, 2022
- **534** integrated biologics in development including **84** bispecific and **76** ADCs
- **36** on-going WuXiBody® bispecific antibody projects
- **35+** COVID-19 programs in progress and **33** INDs approved and **8** approved for EUA/commercial use
- Capacity of **150** INDs and **12** BLA/MAAs enabled per year
- **48** INDs approvals in 1H 2022, total **315** INDs approvals as of June 30, 2022.
- **1,600+** projects including 534 integrated and other **1,100+** non-integrated CDO projects

## Operational Excellence

- **15** facilities with **~262,000L** DS capacity in 2022 vs **~580,000L** after 2026
- **11** facilities for drug product filling, including **1** bioconjugate DP in 2022
- Building **13** facilities globally
- **2,000+** DS batches completed with 98% success rate
- **302** DS batches completed in MFG3 with **100%** success since Apr. 2018
- **367** DS batches completed in MFG1 with **100%** success as of June 30, 2022

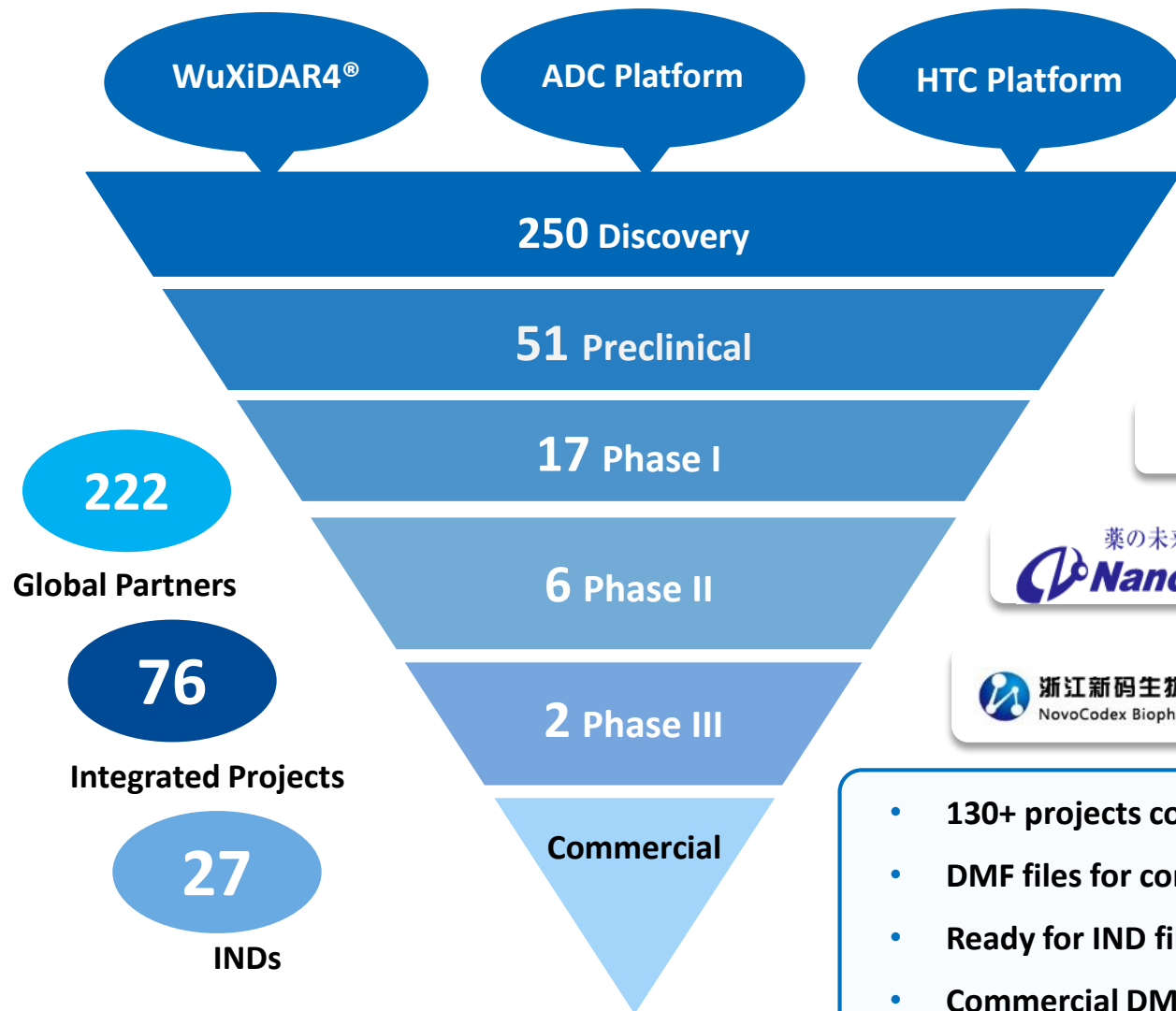
# Progress of WuXi Vaccines: Serving 17 Clients on 38 Projects

## Cumulative Number of Projects and Clients 2019 - 2022



Note:  
1. As of June 30, 2022

# “Follow and Win the Molecule” Strategies Supporting Many XDCs



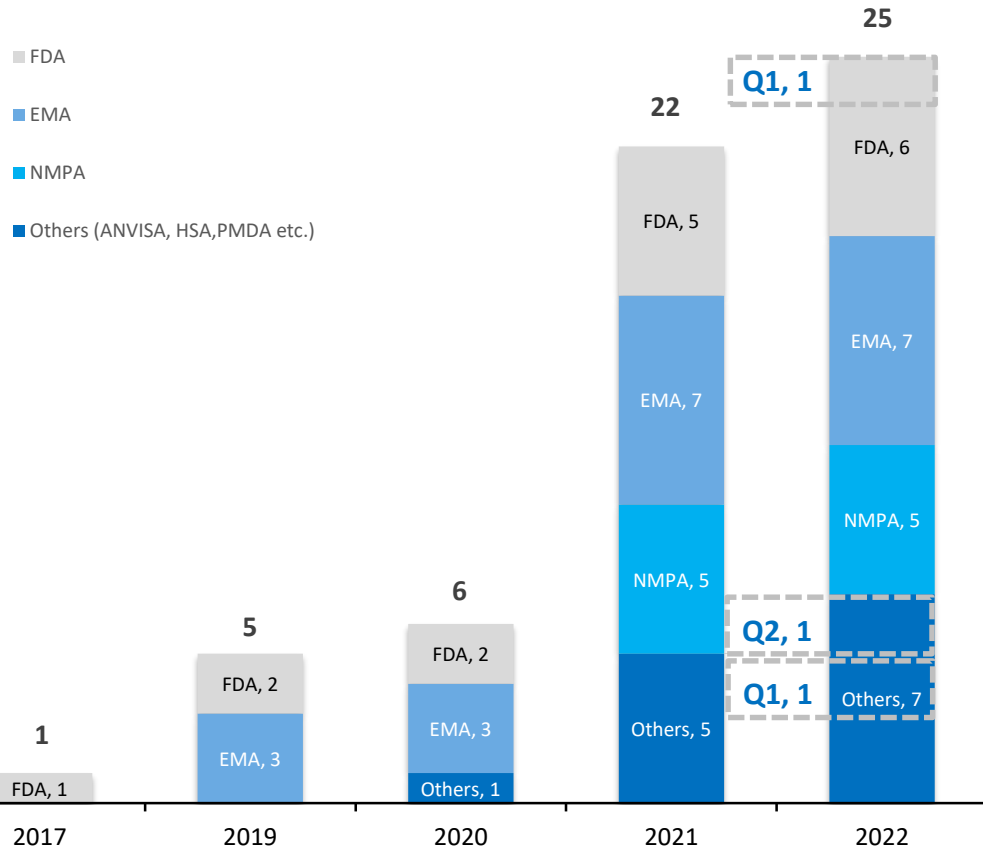
## Selected Global XDC Partners



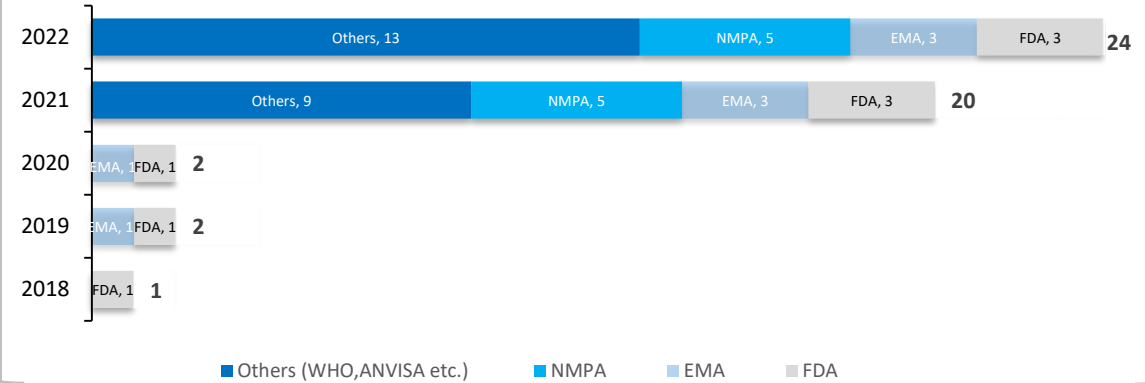
- 130+ projects completed by 1H 2022, from preclinical to commercial scales
- DMF files for common payloads: vcMMAE, MCMMAF, MMAE, etc.
- Ready for IND filing DM1, Exatecan Mesylate Q3 2022
- Commercial DMF for vcMMAE by Q4 2022

# QUALITY is Our Competitive Advantage and Moat

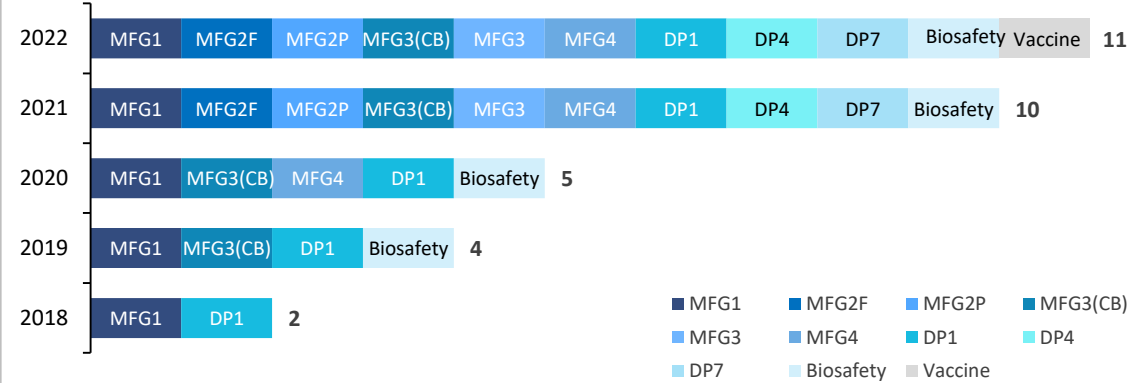
## Number of Regulatory Inspections: 25



## Number of License Approvals: 24



## Number of Certified Facilities: 11



# Talents Form the Prerequisite for Business Success



10,593

Total as of June 30, 2022. Expected to reach 13,000+ by the end of 2022



966

Employees working in US/EU/APAC



680

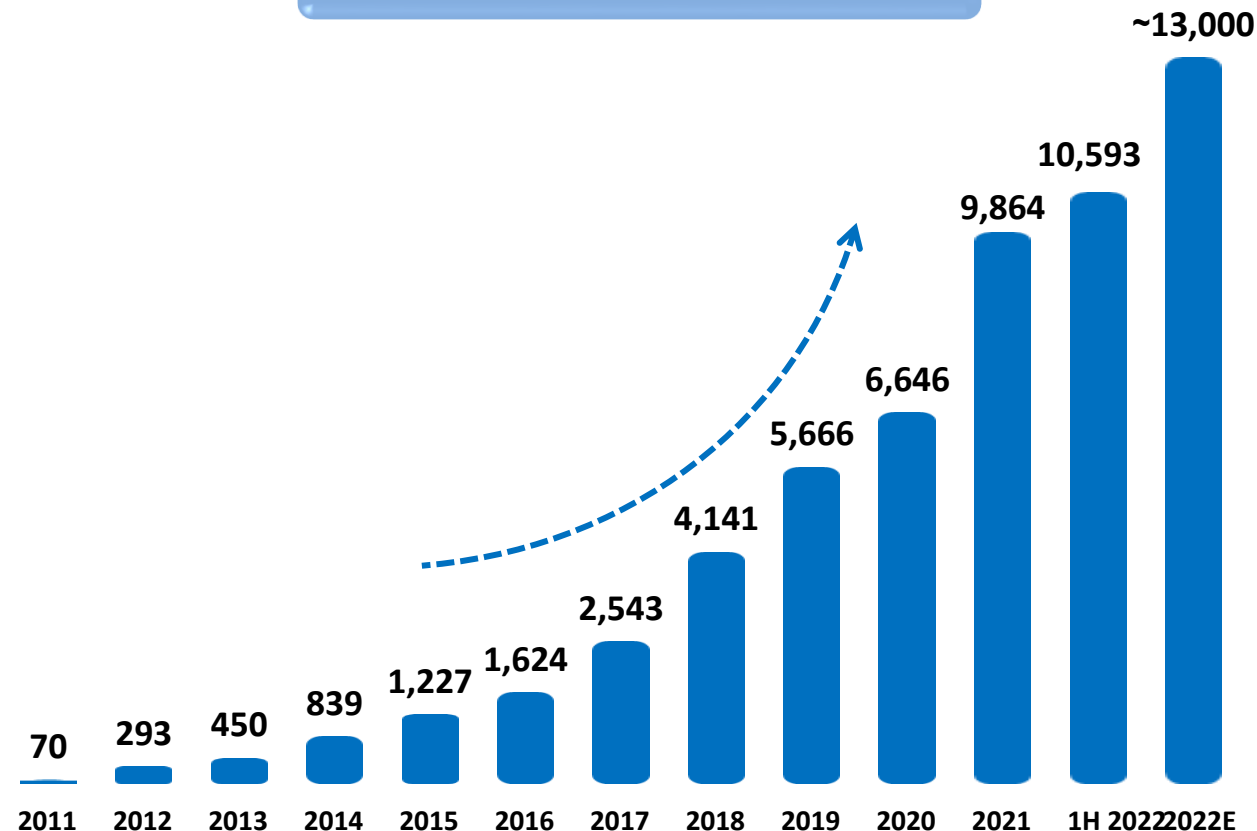
Employees holding Ph.D. or equivalent



3,414

One of the largest biologics development teams

## Rapid Expansion of Talent Pool



1H 2022 total retention rate<sup>(1)</sup> >95%, key talent >97%

Note:

1. As of June 30, 2022, retention rate is calculated on voluntary staff turnover



# Significant Progress Made on UVL: No Meaningful Impact to Global Clients

“Even though the UVL is the “Commerce Department equivalent of getting a parking ticket,” Pearce said, WuXi Bio’s stock plummeted by 25% the following day. People saw “BIS” and “list” and immediately thought “Entity List”.  
--Export Compliance Daily by Ian Cohen, 5/24/22”

## Onsite Inspection

- Onsite inspection for Wuxi city completed in June. **US suppliers obtained export licenses** for shipping bioreactors to Wuxi subsidiary this August
- The schedule for inspection in Shanghai is pending on status of COVID situation in Shanghai



## Supply Chain Update

- Except the two sites on UVL, everything the company needs purchased successfully from global vendors including US
- For Shanghai site on UVL, except bioreactor hardware and the special filters, everything the company needs purchased successfully from global vendors including US
- No vendor changes necessary
- For the 8 projects using special filters: still plenty of inventory; projects can also be transferred to other sites

# Minimum Impact of Shanghai COVID Outbreak

01

Diversified Global Network strategy wins: Globally 6 development and clinical manufacturing centers of excellence: 2 in Shanghai and 1 each in WuXi, Suzhou, Hangzhou and Cranbury, adding the 7<sup>th</sup> one in Chengdu in 2023

02

Proven BCP plan in place and strong execution demonstrated again: no meaningful delay of any client projects during 2020 COVID-19

03

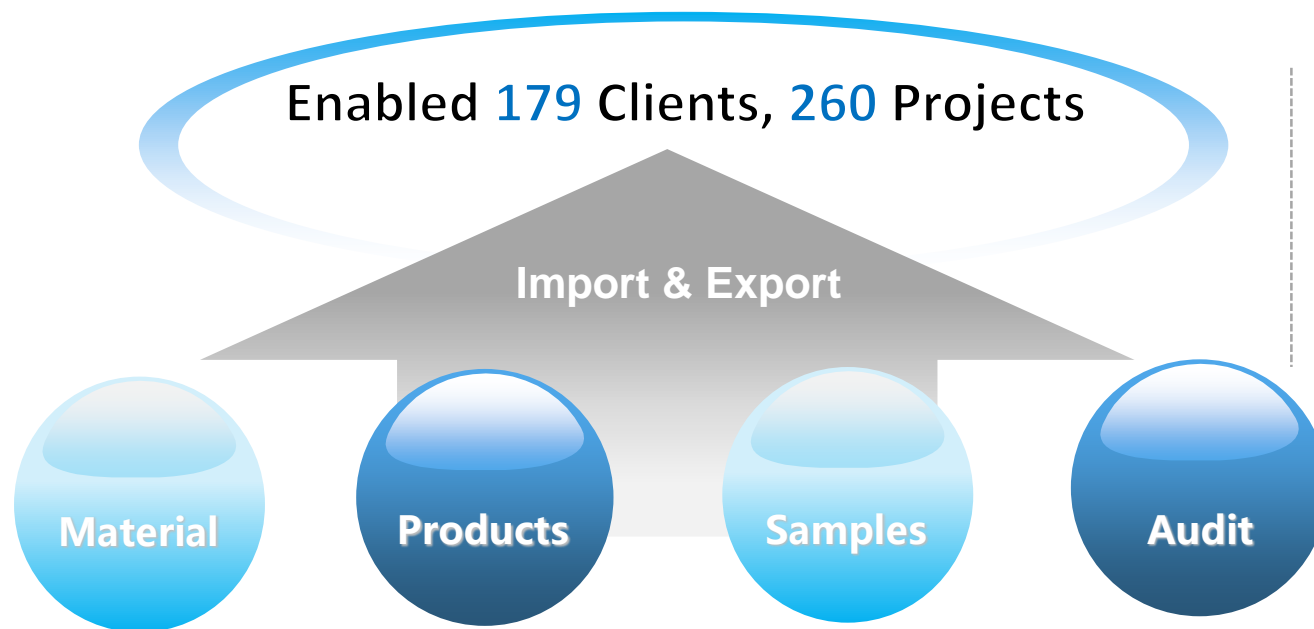
During the Shanghai COVID outbreak ~600 staff volunteered to stay at the campus: **kept the manufacturing running at ~100% rate and at 100% success rate with 40%+ staffing;** development running at ~30% rate: development team will quickly catch up and make up all potential delays once normal operations resume

04

Nominated as one of the first 600+ companies to resume normal operations with highest priority in Shanghai together with Tesla and Roche: added ~500 staff since May 1, currently 50%+ staff are working including from home, expect 100% capacity late June

# Business as Usual at WuXi Biologics During Shanghai COVID Outbreak

This is how our Supply Chain supported 100% Manufacturing on Schedule and majority of Import and Export



852 Import and Export orders in two months: 85% of typical volume

- Import Shipment : 391
- Export Shipment: 461

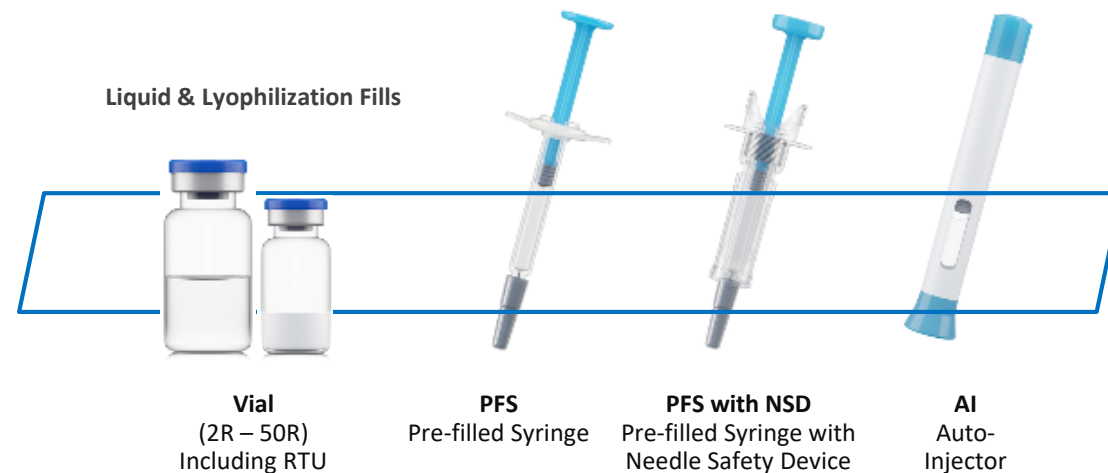
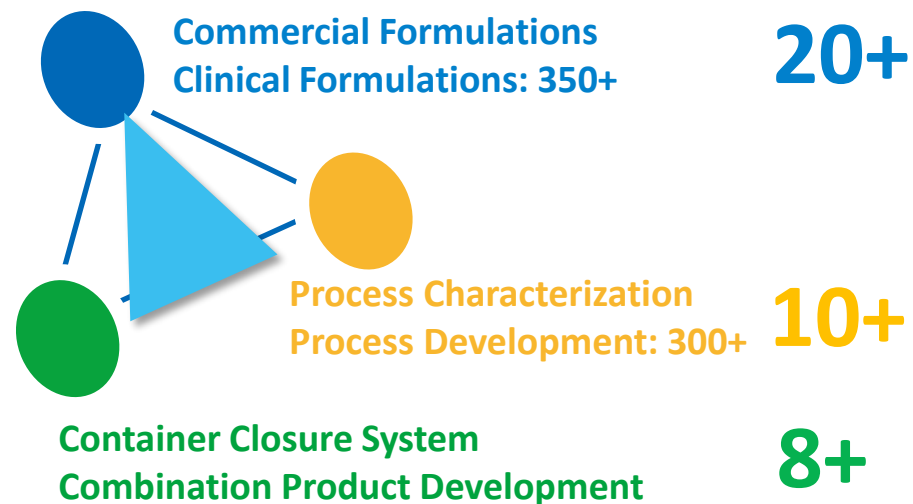
- Arrival : 9,021 Batches
- Deliver: 6,335 Batches
- Weigh : 1,639 Batches
- Transfer: 5,573 Batches
- Oversea Delivery : 67 Batches
- Domestic Delivery: 122 Batches
- Oversea& Domestic Delivery : 704
- Remote Audit: 7 Times

**Global Leading  
DP CDMO**

**02**

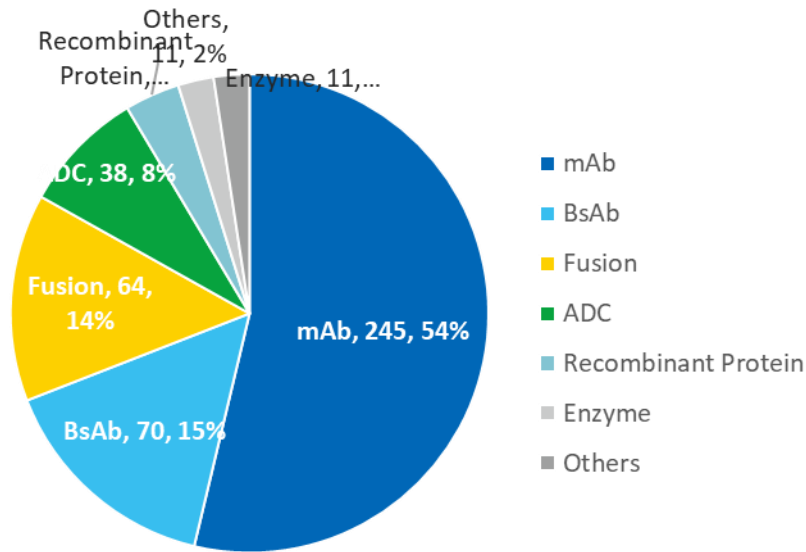
# Comprehensive End-to-End DP Development

- While DS capability and capacity of WuXi Biologics is well known, we have developed similar state-of-the-art capability and capacity for DPs using the same principles (leading technology development, one-stop-shop, follow and win the molecules)
- One-stop shop comprehensive DP services include everything related to DP such as **critical clinical in-use compatibility, shipping and extractables & leachables studies** and drug container compatibility, functionality, assembly, secondary packaging and human factor studies for **combination products**.
- Integrated **high throughput** and **automation** instruments enabling development of protein formulation concentration ranging from **1.5 µg/mL - 200 mg/mL**
- **Cutting-edge lyophilization technologies** put **70+** lyophilized products into the clinic
- **Advanced process development capabilities** have ensured **100% success** of DP tech transfer

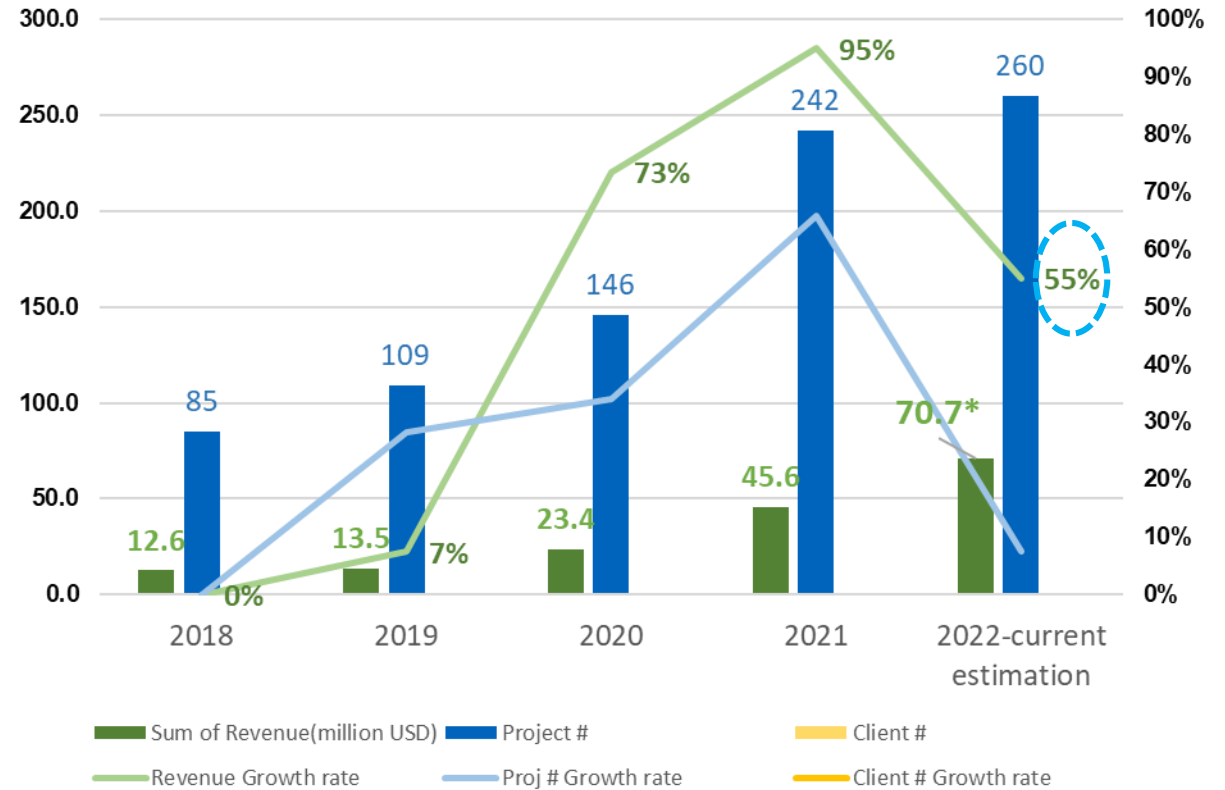


# Servicing all DP Modalities

2021



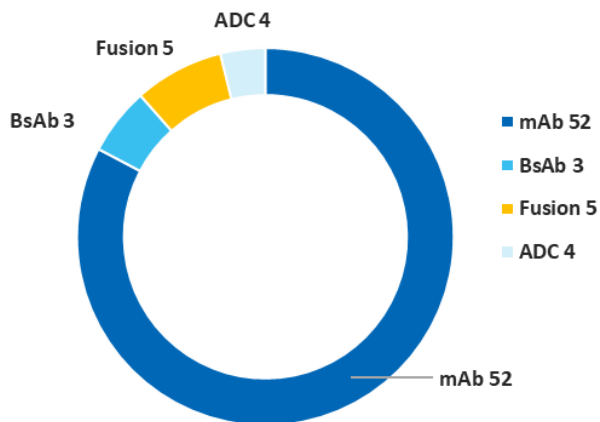
DPD projects and revenue. 2022 Rev./HC = \$270K\*



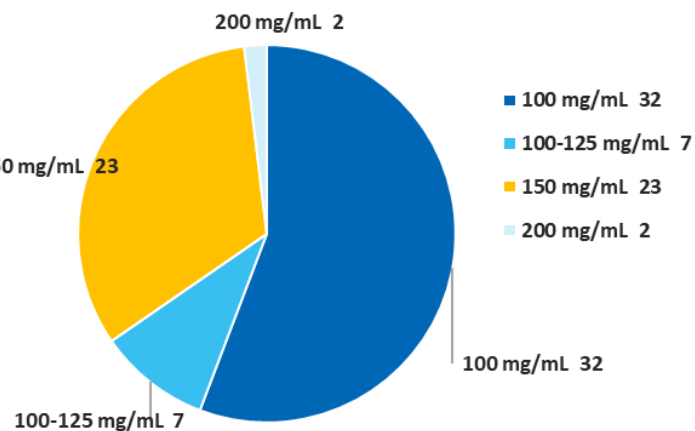


# World-class Drug Product Development & Manufacturing Expertise

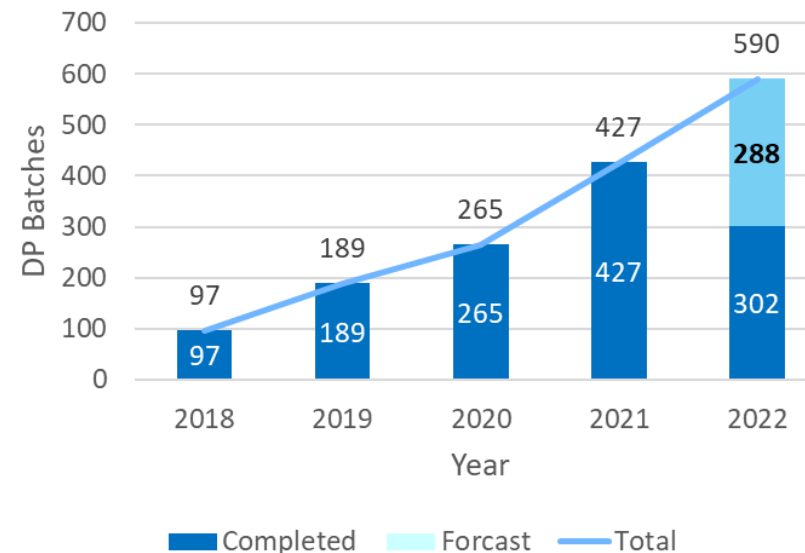
Modalities in High Conc. DP



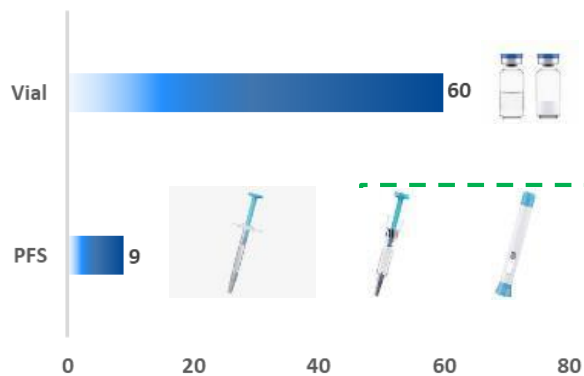
Conc. Range in High Conc. DP



Rapid increase of DP supply



CCS in High Conc DP



Container	#
Vial	60
PFS*	9
<b>Total</b>	<b>69</b>

Advanced large scale PFS Filling line (DP5) released in May, 2022



Note:  
1. As of June 30, 2022

# Rapid Expansion of Global DP Capacity: 100+ mm Doses of Vials and PFS/11 GMP facilities in China/Germany/U.S.

Site#	DP Capacity	GMP Ready	Location	Comments
DP1	Liquid and lyophilization vials (6M Dose, Iyo 1x5m <sup>2</sup> )	2013	Wuxi	Clinical/Commercial Reg. Agency Certified
DP2	Liquid and lyophilization vials (10M Dose, Iyo 2x20m <sup>2</sup> )	2021	Wuxi	Clinical/Commercial
DP3	Bioconjugation (ADCs) and DP Liquid and lyophilization vials (3M Dose, Iyo 1x5m <sup>2</sup> & 1x20m <sup>2</sup> )	2019	Wuxi	Clinical
DP4	Liquid vial/PFS (Vanrx, 1M Dose)	2019	Wuxi	Clinical/Commercial Reg. Agency Certified
DP5	Pre-filled Syringe (PFS) (17M Dose)	2022	Wuxi	Commercial
DP7	Liquid and lyophilization vials (10M Dose, Iyo 2x20m <sup>2</sup> )	2020	Germany	Commercial Reg. Agency Certified
DP8	Liquid vial/PFS (2 Vanrx, 4M+ Dose)	2021	Hangzhou	Clinical/Commercial
DP9	Liquid and lyophilization vials (6M Dose, Iyo 1 x 10m <sup>2</sup> )	2021	Hangzhou	Commercial
DP10	Pre-filled Syringe (7M Dose)	2021	Hangzhou	Clinical/Commercial
DP11	Liquid and lyophilization vials	2021	Suzhou	Clinical
DP12	Liquid vial/PFS (Vanrx, 1M Dose)	2022	Cranbury, NJ	Clinical

## Capabilities

- Vial (including RTU), cartridge and pre-filled syringe options
- Filling of biologics, vaccines, bioconjugates and aqueous parenterals
- Labeling and packaging for commercial products

**1,300+** DP batches  
**99%+** success rate  
**100+** media fills  
**100%** success rate



**Successful  
Integration post  
Acquisitions**

**03**

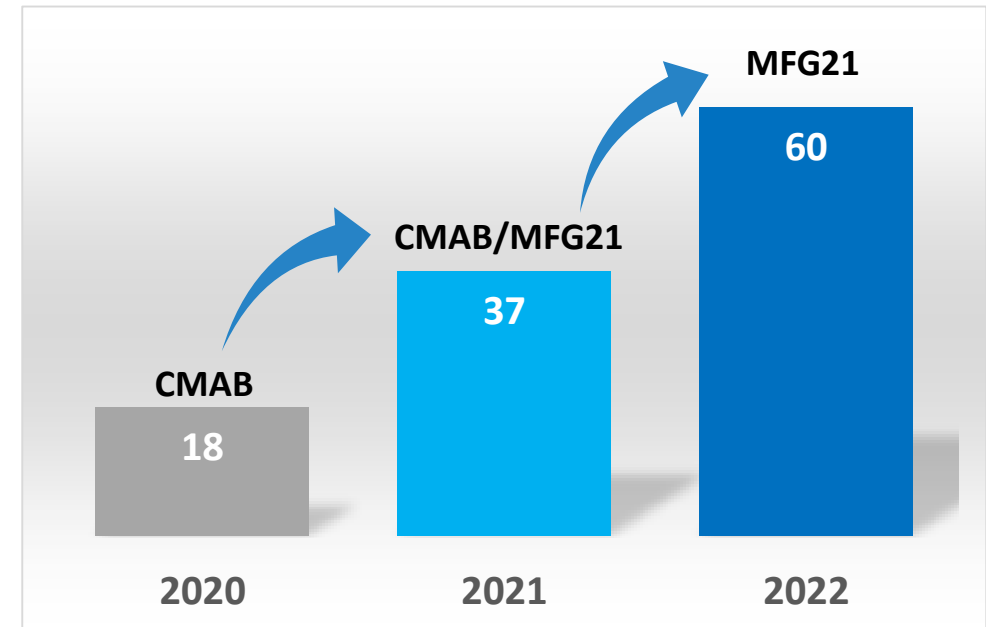
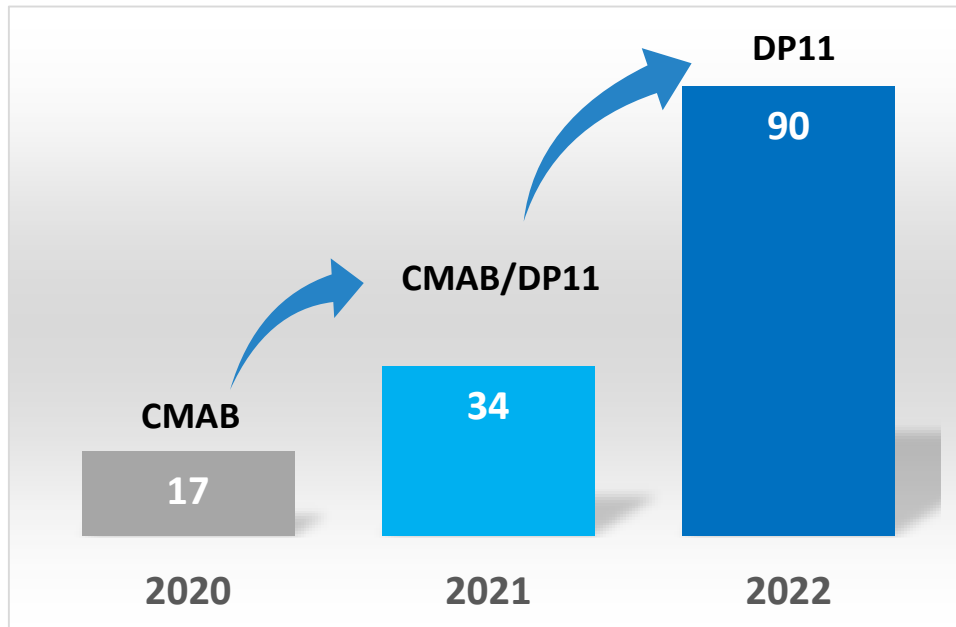
# M&As to Quickly Expand Capacities and Solidify Market Leading Position



Seller	Bayer Leverkusen	Bayer Wuppertal	Pfizer China Hangzhou	CMAB Suzhou
Close Date	April 2020	1H 2021	1H 2021	1H 2021
Capacity	10 mm vials/year	2 lines (15,000L)	1 line (4,000L), 5 mm vials, 2 mm PFS/year	4 lines (7,000L), 2 mm vials/year
Synergy	<ul style="list-style-type: none"> <li>• <b>First</b> Germany's facilities including DS and DP</li> <li>• Meet growing demands worldwide</li> <li>• Strengthen "Global Dual Sourcing" strategy</li> </ul>		<ul style="list-style-type: none"> <li>• Access to state of art <b>DS/DP</b> facility and <b>experienced workforce</b></li> <li>• <b>Immediately ease</b> manufacturing bottleneck in <b>DS and DP</b></li> </ul>	<ul style="list-style-type: none"> <li>• Adding <b>new capacity</b> in 2021 to take more market share</li> <li>• Strengthen market leadership with integrated offerings to enable more customers</li> </ul>

- M&A of assets: typically **60-70%** discount, higher ROI than internal-build
- M&A deals are expected to contribute **US\$200+ mm** revenue in the first 12 months of operations and earning accretive (due to global shortage of DS and DP capacities)

# WuXi Biologics (Suzhou): Production Volume Increases 4X in 2 years with 100% Success Rate

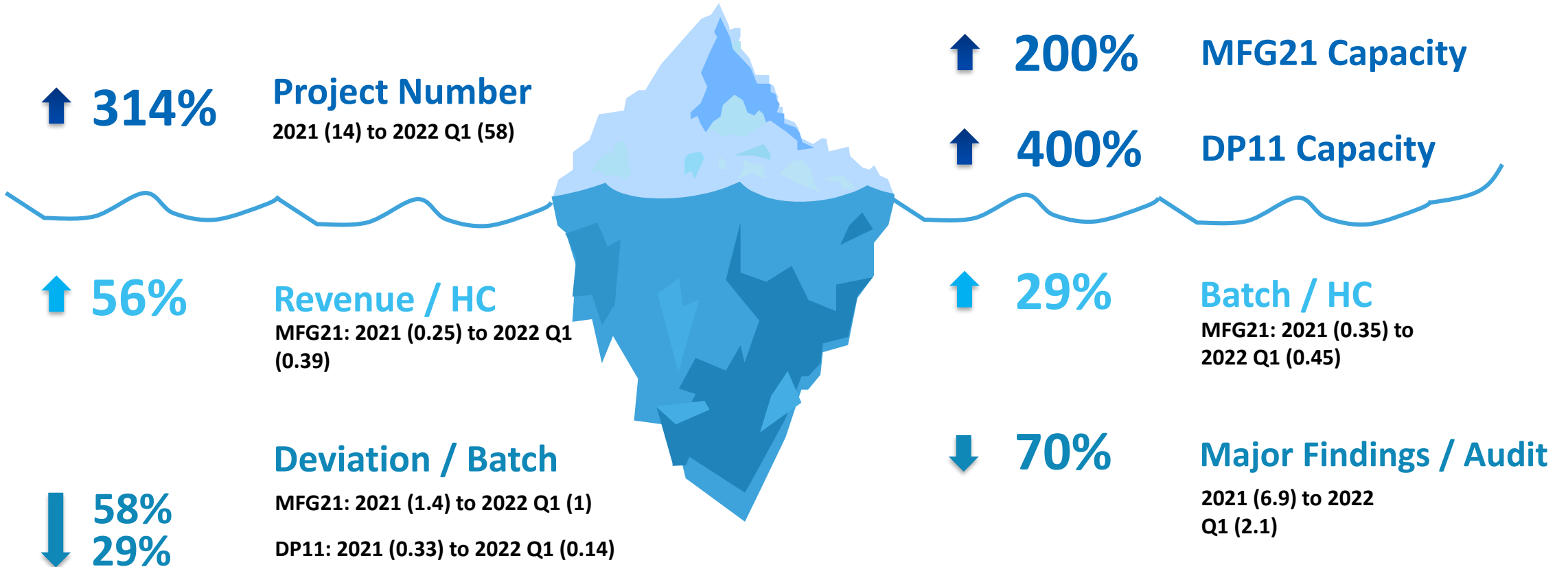


- Production capability increased to **100+** batches per year
- **90** batches planned in 2022
- **100%** success rate so far

- Production capability increased to **60+** batches per year
- **60** batches planned in 2022
- Improved the success rate from **~70% to 100%**
- Facility utilization rate **>80%**

# Execution at Suzhou (What We Can Achieve in Just One Year)

US\$100+ mm Revenue, 3X Increase, GP Margin 48% Expected



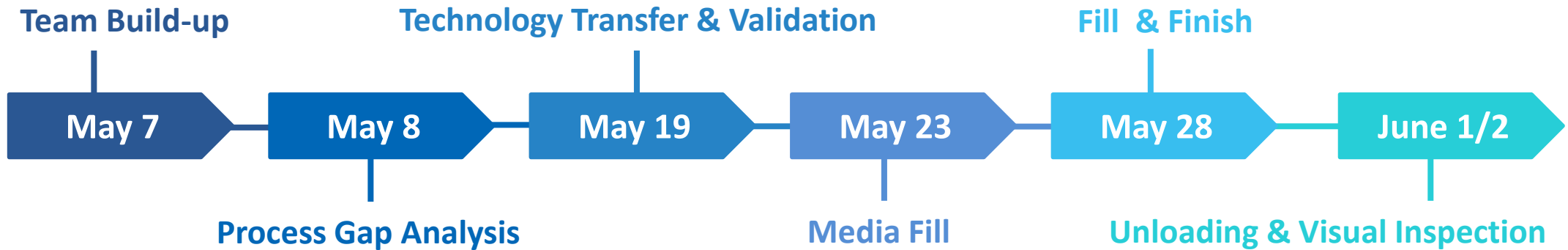
# Summary of Successful Integration of CMAB





# EXECUTION: WuXi Bio Speed – Only 33 Days! Completed the First Batch of DP Manufacturing in former Pfizer DP Facility

WuXi Bio Speed with more flexibility and consistent quality standard bridge the process gap from single-project manufacturing to multiple-project manufacturing



# WuXi Biologics (Hangzhou): ~US\$200 mm Revenue Expected in 2023

## MFG20

- Newly Acquired in Hangzhou; GMP Ready in 2021: facility utilization rate in 2022 >80%
- Fed-batch: 2 x 2,000L, expandable to 8,000L in 2022 to 24,000L in 2023



## DP9, DP10

- DP9 GMP Ready in 2021
- DP10 GMP Ready in 2022
- DP9 Liquid and lyo vials
- DP10 Pre-filled Syringe (PFS)

**ESG as an Important  
Component of  
Business Strategy**

**04**



# Good ESG Strategy Drives Long-term Success



## Enhancing Governance

- Corporate Governance
- Business Ethics and Compliance
- Information security
- Intellectual Property Protection



## Enabling Clients

- Product Safety and Quality
- Superior Delivery Capabilities
- Technology and Innovation
- Supply Chain Management

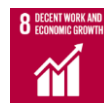
- Occupational Health and Safety
- People Development
- Diversity, Equity and Inclusion
- Community Engagement and Development



- Climate Change
- Energy Mgmt and GHG Emissions
- Water Management
- Waste Management

## Giving Back to Society

## Greening Our Business



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

# 2021 ESG Key Deliverables

## Enhancing Governance

**ESG**

**committee**

Comprise 4 board members  
Led by CEO

**20+**

Material ESG issues

**100%**

Participation rate in  
business ethics and  
anti-corruption training

**0**

Lawsuits or legal cases for  
corruption or bribery

**ISO27001**

information security management  
certification

## Enabling\* Clients

**434**

Global partners

**534**

Integrated projects

**25**

Inspections by global  
regulatory agencies

**98%**

Success rate of 2,000+ batches  
of drug substance produced

## Giving Back to Community

**2, 000+Kg \***

COVID-19 neutralizing  
antibodies delivered

**10, 000+ \***

employees

**53%**

Female employees

**73 hours**

Of training per employee

**3,192 hours**

Served by employee in the  
local communities

## Greening Our Business

**50%**

Reduction target in GHG  
emissions intensity by  
2030

**18%**

Reduction target in water  
consumption intensity by 2025

**70%**

Reduction in water  
consumption by using SUT  
technology

**100%**

Compliant solid waste and  
wastewater treatment

**ISO14064**

GHG emissions verification

# ESG Performance Recognized as Industry Leader (partial list)



**ESG Industry  
Top-rated Company  
2019 - 2021**



**Top 10 Constituent  
of FTSE4Good Emerging Index  
2021- 2022**



**MSCI  
ESG Rating of A  
2019-2021**



**Best ESG Award  
2020 - 2022**



**Excellence in  
Corporate Governance  
2021**



**Platinum Award Winner  
2021**

# Committed for the Future



## GHG Emissions Reduction Target

(2020 - 2030) (tonnes/RMB 10,000)

We aim to reduce our Scope 1 + 2 GHG emissions intensity by **50%**

**50% ↓**



## Water Consumption Reduction Target

(2019 - 2025) (tonnes/RMB 10,000)

We aim to reduce our water consumption intensity by **18%**

**18% ↓**

- All sites advocate **daily energy conservation** to further reduce non-R&D and non-manufacturing departments' electricity use
- **Pilot Solar Power Project** at Shanghai and Hebei Sites to explore the opportunity of clean energy







## Greening our Business

50%

Reduction target in GHG emissions intensity by 2030

18%

Reduction target in water consumption intensity by 2025

70%

Reduction in water consumption by using SUT technology

100%

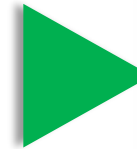
Compliant Solid Waste and Wastewater Treatment

ISO 14064

GHG Emissions Verification

- Energy Saving Management Engineering Standard completed in 2021
- Energy saving management throughout whole project life cycle
- Elements include green building, natural light source, rain water retention and recycling, solar panel etc.
- Working with Corporate ESG team and site teams on Carbon Accounting and scientific GHG Emission neutral strategy and roadmap
- Launched solar power generation projects in Fengxian and Hebei site

Energy Saving Management  
Engineering Standard

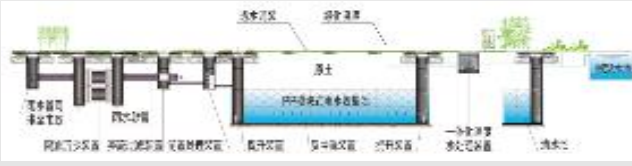
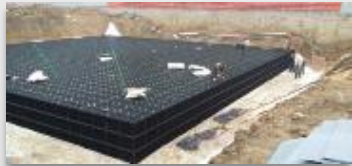


Hebei Site, WuXi Biologics

# ESG Deployment in MFG8 (Hebei): Greenest Facility of WuXi Bio



- Solar power generation pilot program
- Rain water retention and recycling



- Natural light



- Gray water recycling

- “Free cooling” system



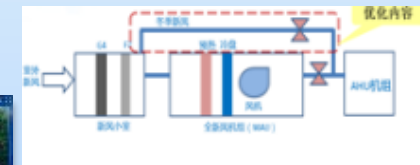
- Steam condensate water recycling



- Cooler condensate water recycling



- MAU switching in different seasons



- Energy management system



- CU commissioning optimization, 40k ton water saved



# Green Site of the Future: MFG 6/7 in Ireland



## # Green Energy #

60%+ renewable energy supply  
None comes from coal

## # Largest Disposable Mfg Facility outside of China #

Reduce detergent and water usage  
by 30% ~ 50%

## # Green Building #

High insulating with heat recovery  
improves energy efficiency by 50%+

## # Natural Lighting #

Natural light and smart sensor to  
reduce the demand for indoor lighting



Dundalk, Ireland

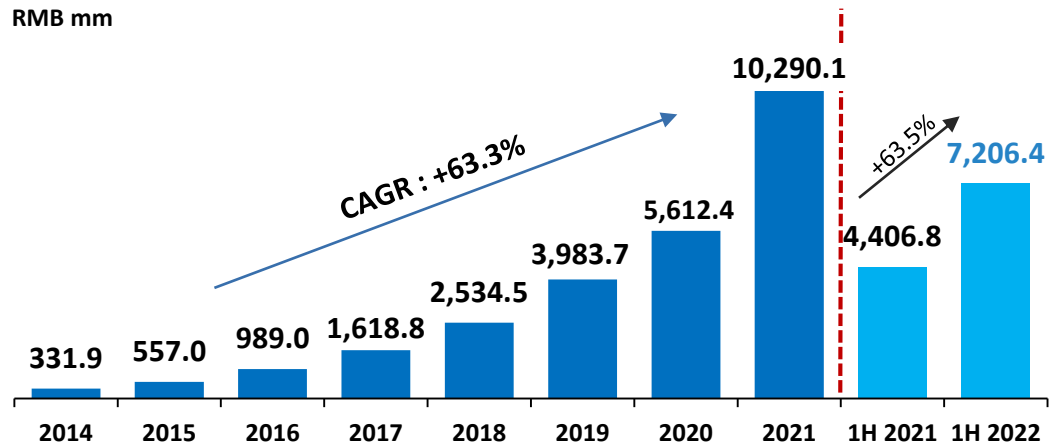
## Financial Overview

**05**

# Profitability Hit New Record

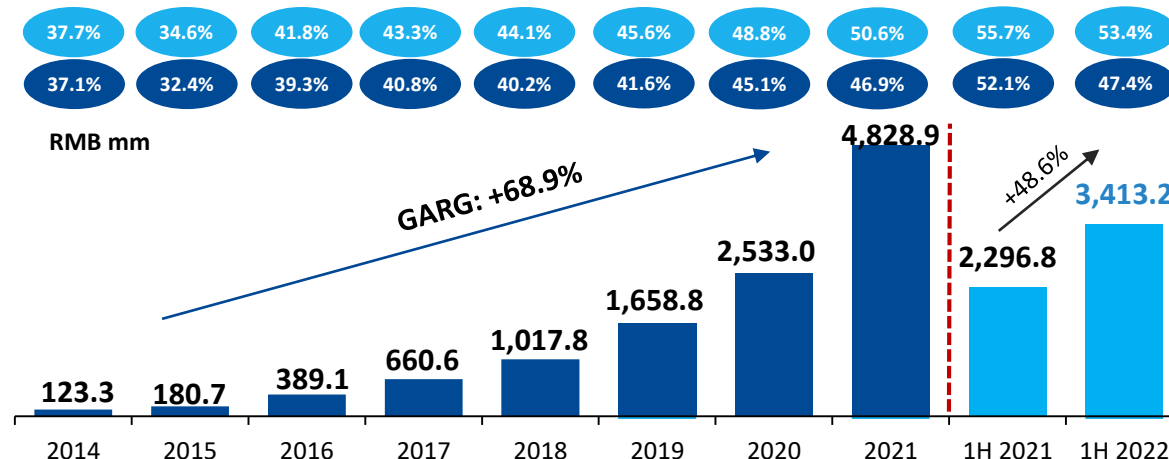
## Revenue

RMB mm



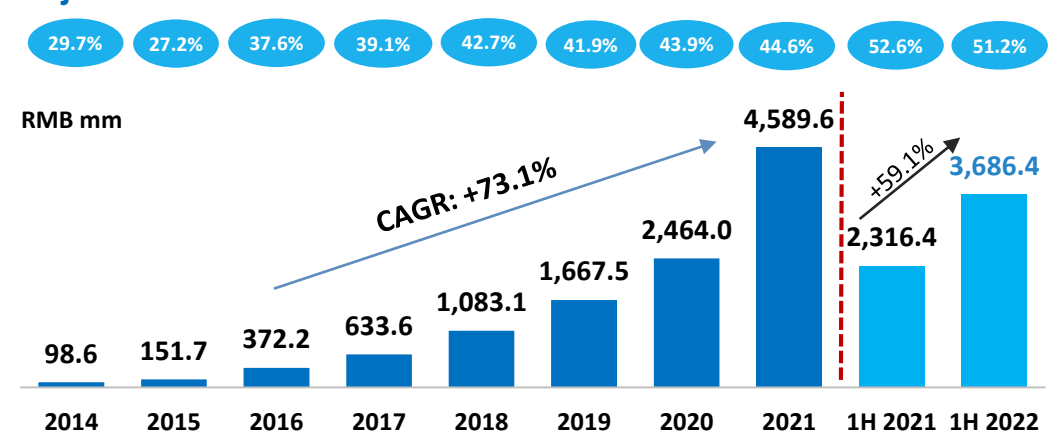
## Gross Profit

RMB mm



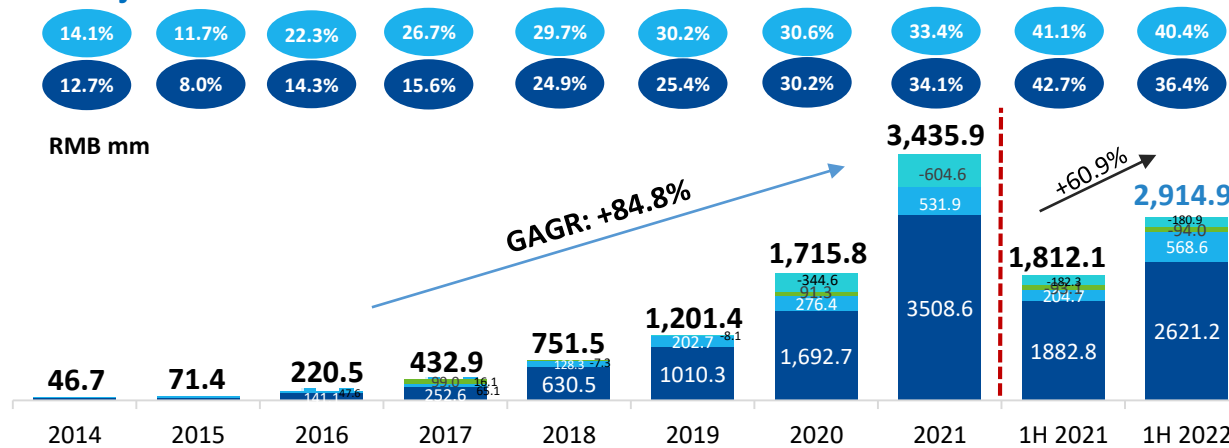
## Adjusted EBITDA <sup>(1)</sup>

RMB mm



## Adjusted Net Profit

RMB mm



**Notes:**

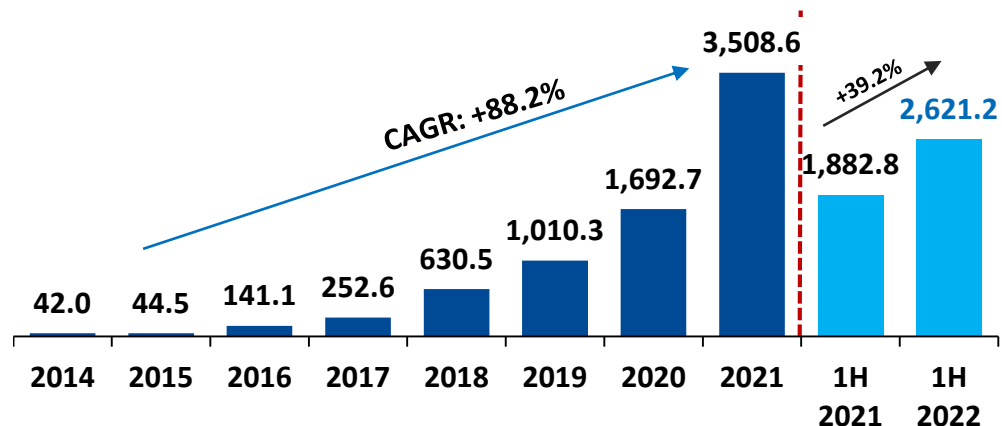
- Adjusted EBITDA represents net profit before (i) interest expenses, income tax expenses, listing expenses (ii) certain non-cash expenses, consisting of share-based compensation, amortization and depreciation and (iii) foreign exchange (gains)/losses and (iv) (gains)/losses from investment portfolios
- Adjusted net profit excludes the share-based compensation expenses, (gains)/losses from 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

● Unadjusted Margin % 
 ● Adjusted Margin % 
 ■ SBC Impact 
 ■ FX Impact <sup>(3)</sup>
▨ Listing Expense 
 ■ Investment Impact

# Sustained High Growth Over the Past 8 Years

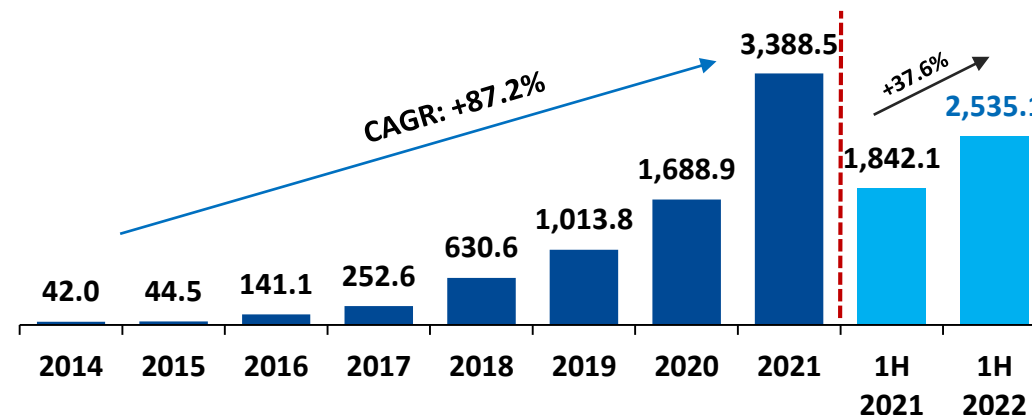
## Net Profit

RMB mm



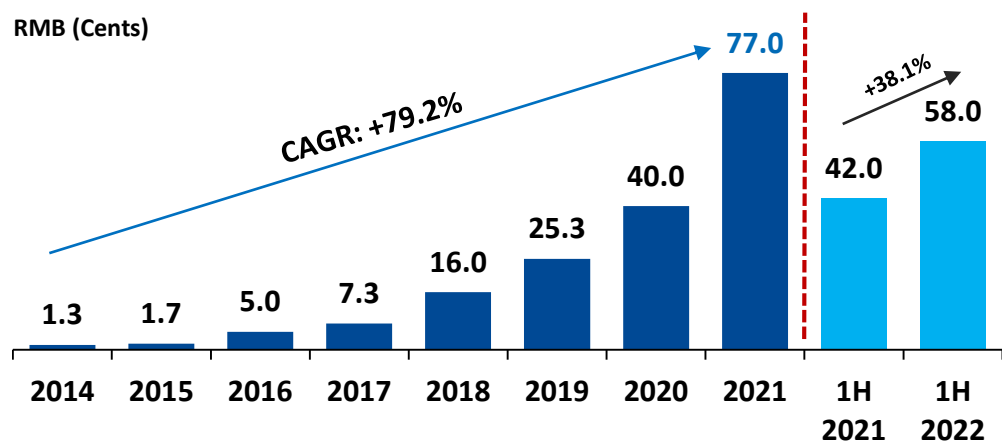
## Net Profit Attributable to Owners of the Company

RMB mm



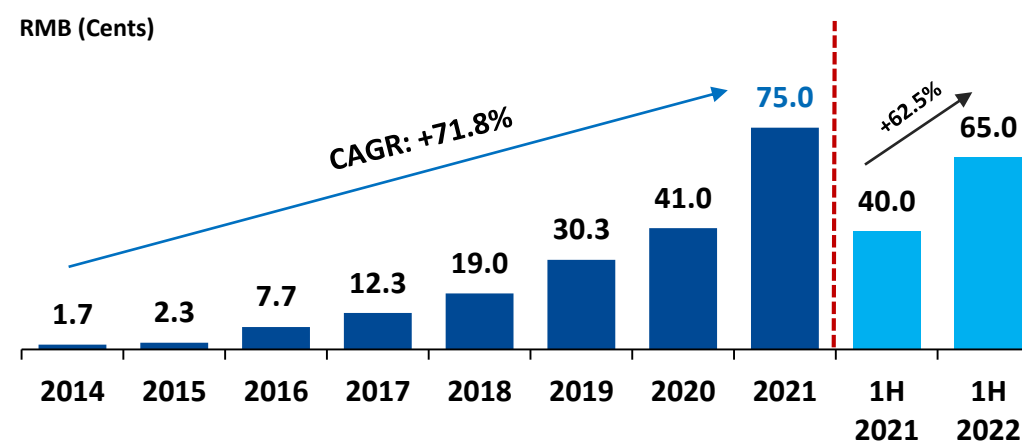
## Diluted EPS<sup>(1)</sup>

RMB (Cents)



## Adjusted Diluted EPS<sup>(1)</sup>

RMB (Cents)

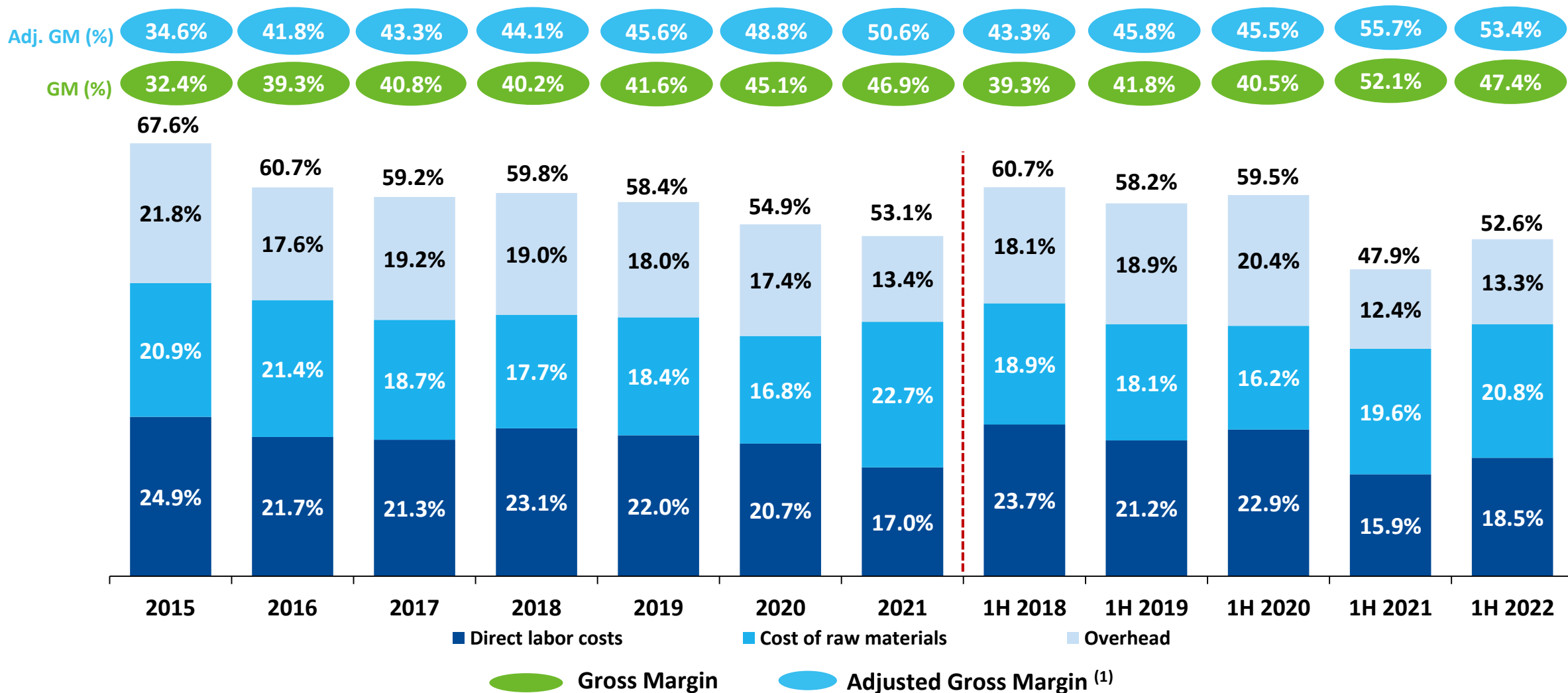


**Note:**

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



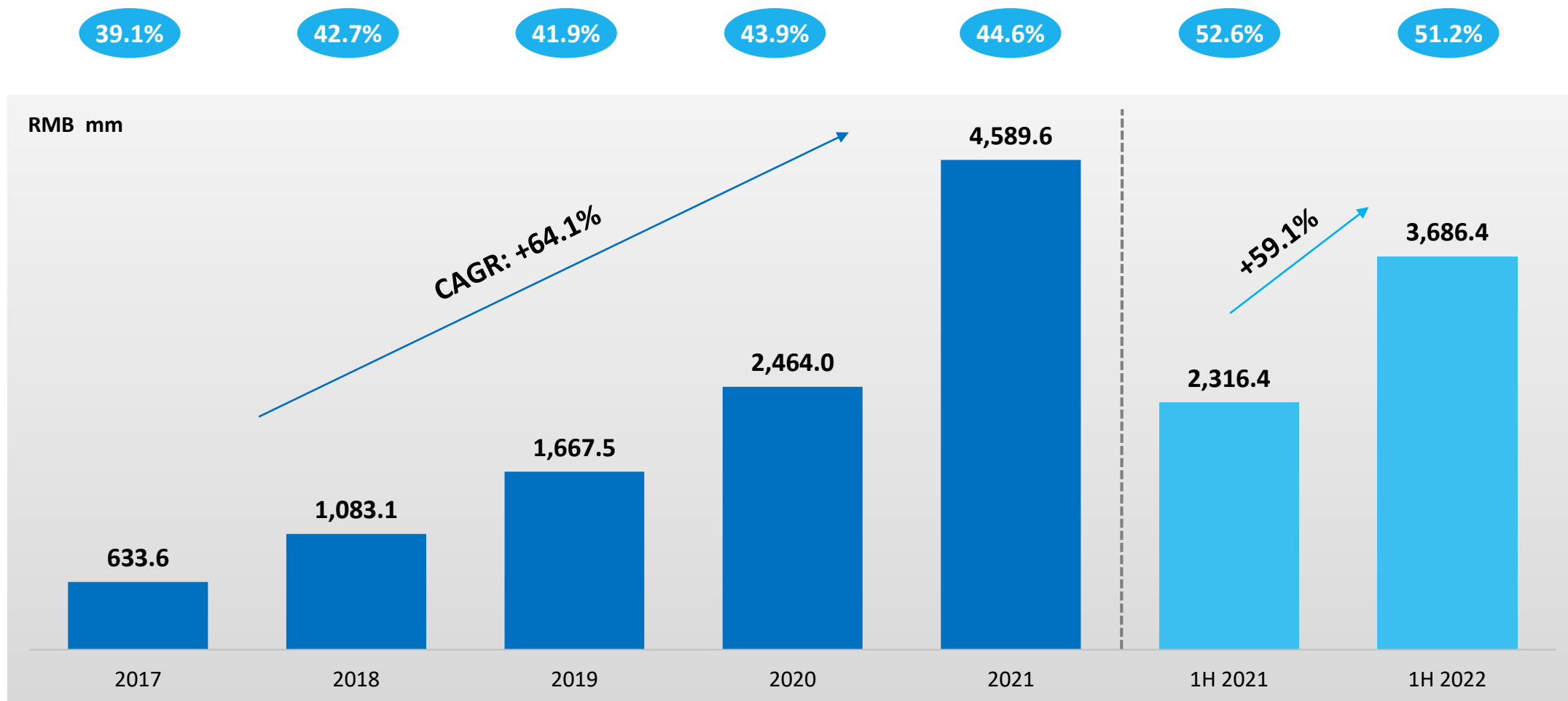
Note:

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

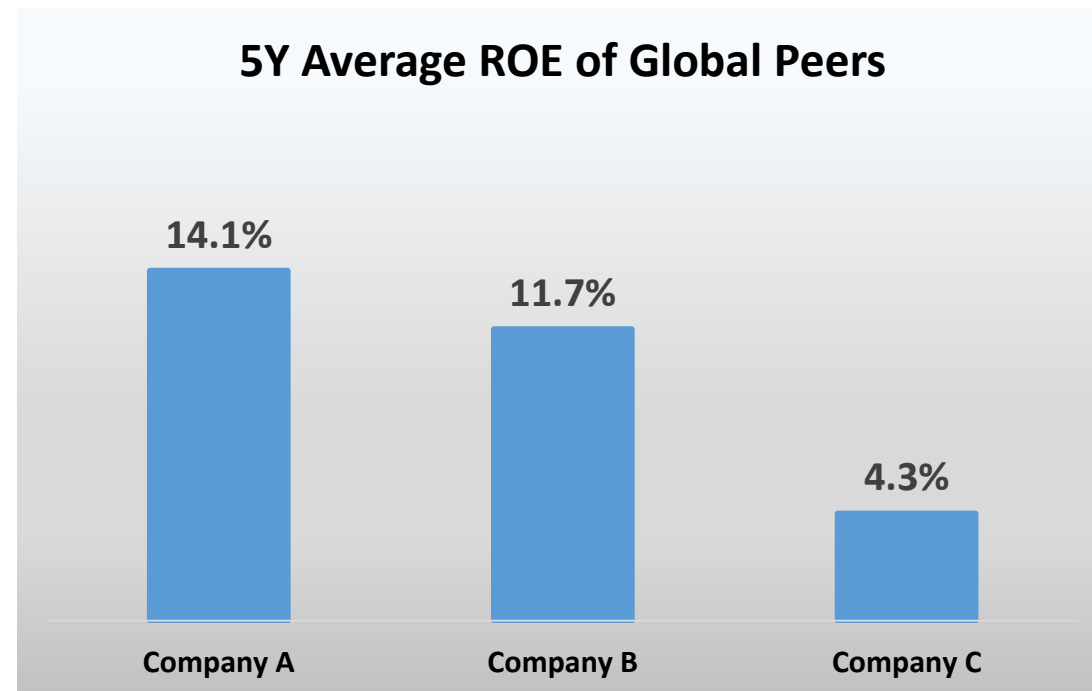
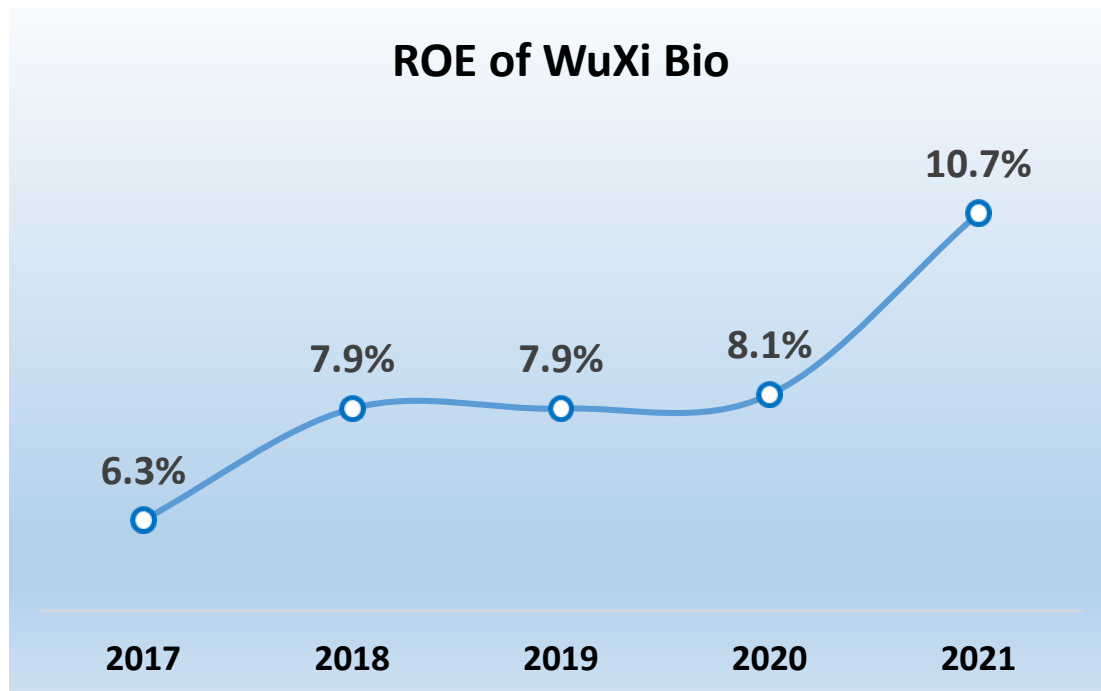


# Sustained Growth of Adjusted EBITDA

Adj. EBITDA Margin



# ROE Continues to Improve in Past 5 Years

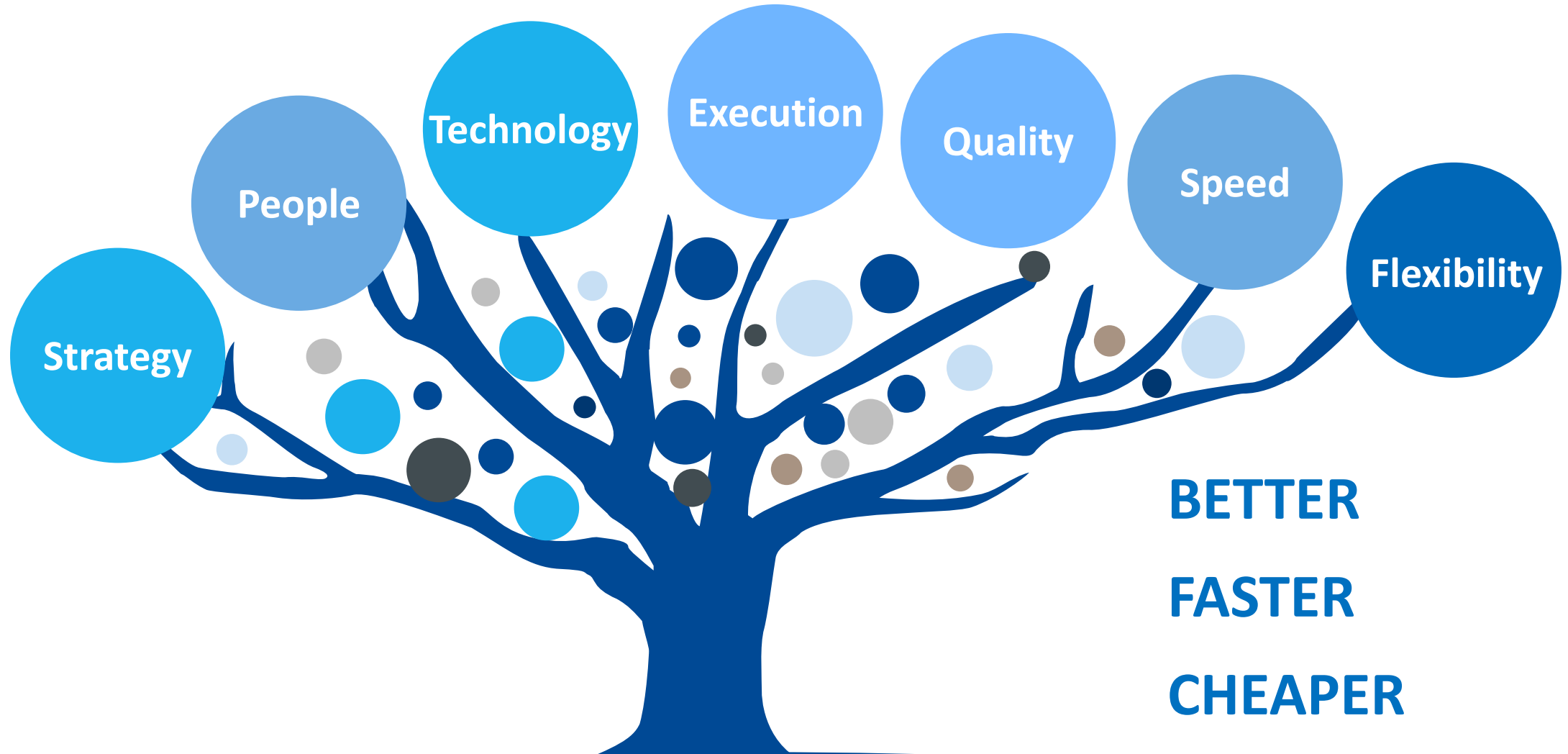


- The Group has made a lot of investments over the years. Due to 2-3 years to build the facility and 2-3 years to ramp up, our ROE lags behind the investment
- Now a large percentage of capacity built is near completion, the Group will achieve a steady state of 12%-14% ROE, comparable to other global leaders in the industry

**Summary**

**06**

# SEVEN Keys for Future Success: Sustainable High Growth



# Seven Pillars Underpin WuXi Biologics Sustainable High Growth

- 1 **Excellent IP protection**
- 2 **FDA and EMA accepted quality system: only company in China, Top 5 global CDMOs**
- 3 **State-of-art technology platform: comparable to large pharma**
- 4 **Superb execution won trust from global clients**
- 5 **World-class talent: 500+ senior scientists, 2,000+ young scientists per year**
- 6 **Strong financials: nearly RMB9.9 bn cash**
- 7 **Emerging ESG leader**

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

- 1** Despite sentiment changes of biotech investment, UVL and Shanghai COVID outbreak, WuXi Biologics continues to see huge demand of services in US, EU, China and ROW: added 59 projects in 1H 2022: Business growth momentum is very strong and raise the guidance
- 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)
- 3** Non-COVID revenue increased by 72.6% y-o-y in 1H 2022 and is expected to grow by ~65% y-o-y in 2022. COVID-19 projects demonstrate the power of the Group's technology platforms and strong project execution capabilities, thus the visibility in the R&D and commercial manufacturing is further enhanced, which allows WuXi Bio to win more trust from global customers and drives the increase of project pipeline and backlog
- 4** Exciting growth of new modalities: DP CDMO, ADC, Bispecifics, vaccines
- 5** Besides traditional small and medium-sized companies, global large pharmas became core clients : 10+ commercial mfg projects in negotiations
- 6** WuXi Bio has built world-class DP development and manufacturing capacity and capabilities that we replicate our success in DS development manufacturing: 100+ mm doses, 11 facilities in 3 countries, three formats of vials, PFS and combo
- 7** Integration of three successful acquisitions demonstrated WuXi Execution
- 8** WuXi Bio aspires to be one of the ESG leaders of our industry

The image features a solid blue background. On the right side, there is a white geometric shape that resembles a stylized arrow or a tab pointing to the right. This shape is defined by a dark blue outline. Inside the white area of this shape, the word "Appendix" is written in a bold, dark blue, sans-serif font.

## Appendix



# 1H 2022 Financial Summary

	(RMB million)	1H 2022	1H 2021	Change
<b>Revenue</b>		<b>7,206.4</b>	<b>4,406.8</b>	<b>63.5%</b>
Cost of Sales and Services		(3,793.2)	(2,109.9)	
<b>Gross Profit</b>		<b>3,413.2</b>	<b>2,296.8</b>	<b>48.6%</b>
Other Income		159.1	127.3	
Impairment Losses under ECL Model, Net of Reversal		(70.8)	(133.2)	
Other Gains and Losses		309.6	311.5	
Selling and Marketing Expenses		(67.1)	(60.4)	
Administrative Expenses		(520.1)	(347.6)	
Research and Development Expenses		(271.1)	(115.4)	
Financing Costs		(22.7)	(20.9)	
<b>Profit before Tax</b>		<b>2,930.1</b>	<b>2,058.2</b>	<b>42.4%</b>
Income Tax Expenses		(308.9)	(175.5)	
<b>Profit for the Period</b>		<b>2,621.2</b>	<b>1,882.8</b>	<b>39.2%</b>
Earnings per Share – Basic (RMB)		0.61	0.44	
Earnings per Share – Diluted (RMB)		0.58	0.42	

# Reconciliation for Adjusted Net Profit and Adjusted EBITDA

	(RMB million)	1H 2022	1H 2021	Change
<b><u>Adjusted Net Profit Reconciliation</u></b>				
<b>Net Profit</b>		<b>2,621.2</b>	<b>1,882.8</b>	
Share-based Compensation		568.6	204.7	
Foreign Exchange Gain		(94.0)	(93.1)	
Gain from Equity Investments		(180.9)	(182.3)	
<b>Adjusted Net Profit</b>		<b>2,914.9</b>	<b>1,812.1</b>	<b>60.9%</b>
<b><u>Adjusted EBITDA Reconciliation</u></b>				
<b>EBITDA</b>		<b>3,392.7</b>	<b>2,387.1</b>	
Share-based Compensation		568.6	204.7	
Foreign Exchange Gain		(94.0)	(93.1)	
Gain from Equity Investments		(180.9)	(182.3)	
<b>Adjusted EBITDA</b>		<b>3,686.4</b>	<b>2,316.4</b>	<b>59.1%</b>

**Notes:**

1. Results may not foot due to rounding

# 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

