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**WUXI APPTEC CO., LTD.\***  
**無錫藥明康德新藥開發股份有限公司**

(A joint stock company incorporated in the People's Republic of China with limited liability)  
 (Stock Code: 2359)

**ANNOUNCEMENT OF THE UNAUDITED INTERIM RESULTS  
 FOR THE SIX MONTHS ENDED JUNE 30, 2024**

	Six months ended June 30,		Change
	2024	2023	
	<i>RMB million</i>	<i>RMB million</i>	
	(except for percentages)	(except for percentages)	
Revenue	<b>17,240.9</b>	18,871.3	(8.6)%
Gross Profit	<b>6,700.9</b>	7,555.7	(11.3)%
<i>Gross Profit Margin</i>	<b>38.9%</b>	40.0%	
Net Profit Attributable to the Owners of the Company	<b>4,239.8</b>	5,313.1	(20.2)%
<i>Margin of Net Profit Attributable to the Owners of the Company</i>	<b>24.6%</b>	28.2%	
Adjusted Non-IFRS Net Profit Attributable to the Owners of the Company	<b>4,372.2</b>	5,094.7	(14.2)%
<i>Margin of Adjusted Non-IFRS Net Profit Attributable to the Owners of the Company</i>	<b>25.4%</b>	27.0%	
	<b>RMB</b>	<b>RMB</b>	
Earnings per Share			
—Basic	<b>1.46</b>	1.81	(19.3)%
—Diluted	<b>1.45</b>	1.79	(19.0)%
Adjusted Non-IFRS Earnings per Share			
—Basic	<b>1.50</b>	1.73	(13.3)%
—Diluted	<b>1.50</b>	1.73	(13.3)%

The Board resolved not to declare any interim dividend for the six months ended June 30, 2024.

The Board of Directors is pleased to announce the unaudited interim results of the Company and its subsidiaries for the Reporting Period.

In this announcement, “we”, “us”, “our” and “WuXi AppTec” refer to the Company and where the context otherwise requires, the Group (as defined below).

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **1. THE MANAGEMENT’S DISCUSSION AND ANALYSIS ON OPERATIONS OF THE GROUP FOR THE REPORTING PERIOD**

#### **A. Analysis on Principal Operations**

For the Reporting Period, the Company realized revenue of RMB17,240.9 million, representing a YoY decrease of 8.6%. During the Reporting Period, we realized net profit attributable to the owners of the Company of RMB4,239.8 million, representing a YoY decrease of 20.2%.

As a global company with operations across Asia, Europe, and North America, we provide a broad portfolio of R&D and manufacturing services that enable the global pharmaceutical and life sciences industry to advance discoveries and deliver groundbreaking treatments to patients. Through its unique business models, our integrated, end-to-end services include chemistry drug CRDMO, biology discovery, preclinical testing and clinical research services, advanced therapies CTDMO, helping customers improve the productivity of advancing healthcare products through cost-effective and efficient solutions.

In the first half of 2024, we added over 500 new customers in addition to maintaining the existing base of over 6,000 active customers. Demand from customers across regions continued to grow. As of June 30, 2024, backlog achieved RMB43.10 billion, growing 33.2% YoY excluding COVID-19 commercial projects. During the Reporting Period:

- Revenue from the top 20 global pharmaceutical companies reached RMB6.59 billion, growing by 11.9% YoY excluding COVID-19 commercial projects.
- Revenue from US-based customers was RMB10.71 billion, excluding COVID-19 commercial projects, revenue decreased 1.2% YoY; revenue from Europe-based customers grew 5.3% to RMB2.22 billion; revenue from China-based customers grew 2.8% to RMB3.40 billion; and revenue from other regions decreased 17.4% to RMB0.91 billion.

### ***Revenue***

During the Reporting Period, we achieved synergy across various regions by leveraging our advantages in global presence and full industrial chain coverage, and seized new business opportunities to serve our customers continuously.

Detailed breakdown of our revenue by operating segments is as follows:

<b>Operating Segments</b>	<b>Six months ended June 30,</b>		<b>Revenue Change</b>
	<b>2024</b>	<b>2023</b>	
	<b>Revenue</b>	<b>Revenue</b>	
	<b><i>RMB million</i></b>	<b><i>RMB million</i></b>	
WuXi Chemistry	<b>12,209.9</b>	13,467.2	(9.3)%
WuXi Testing	<b>3,018.4</b>	3,091.0	(2.4)%
WuXi Biology	<b>1,168.9</b>	1,232.6	(5.2)%
WuXi ATU	<b>575.0</b>	713.6	(19.4)%
WuXi DDSU	<b>257.2</b>	342.0	(24.8)%
Others	<b>11.7</b>	24.8	(53.1)%
<b>Total</b>	<b><u>17,240.9</u></b>	<b><u>18,871.3</u></b>	<b><u>(8.6)%</u></b>

*Note:* The discrepancies between the total and sums of amounts in the table above are due to rounding.

(1) *WuXi Chemistry*

Despite external challenges, revenue from WuXi Chemistry reached RMB12.21 billion, growing 2.1% YoY excluding COVID-19 commercial projects. During the Reporting Period:

- Small molecule drug discovery services (“**R**”) continues to generate downstream opportunities. In the past 12 months, we successfully synthesized and delivered more than 450,000 new compounds to customers, and resulted in 7% YoY growth. Through our “follow-the-customer” and “follow-the-molecule” strategies, we established trusted partnerships with our customers globally, supporting the sustainable growth of our CRDMO business. The number of molecules converted from R to D&M continued to grow.
- Small molecule development and manufacturing (“**D**”&“**M**”) services remains strong. Revenue of small molecule D&M services reached RMB7.39 billion. Excluding COVID-19 commercial projects, revenue was down 2.7% YoY on top of the strong base of over 50% YoY growth in the first half of 2023, and full-year revenue is expected to maintain positive growth. Small molecule CDMO pipeline continued to expand. In the first half of 2024, 644 new molecules were added to the small molecule D&M pipeline. As of June 30, 2024, our small molecule D&M pipeline reached 3,319 molecules, including 67 commercial projects, 74 in phase III, 353 in phase II and 2,825 in phase I and pre-clinical stages, among which 14 commercial and phase III projects were added during the Reporting Period. In May 2024, we announced the groundbreaking of the new R&D and manufacturing site in Singapore.
- TIDES business (mainly oligo and peptides) sustains rapid growth. Revenue of TIDES grew strongly by 57.2% YoY to RMB2.08 billion. As of June 30, 2024, TIDES backlog grew by 147% YoY. The number of TIDES D&M customers increased 25% YoY to 151, and the number of TIDES molecules increased 39% YoY to 288. In January 2024, the total reactor volume of solid phase peptide synthesizers increased to 32,000L.

## (2) *WuXi Testing*

Revenue from WuXi Testing reached RMB3.02 billion. During the Reporting Period:

- Revenue of lab testing services was down 5.4% YoY to RMB2.12 billion. Among which, revenue from drug safety evaluation services was down 6.3% YoY due to market impact, while we maintained an industry leading position in the Asia-Pacific region. During the Reporting Period, the Qidong and Chengdu facilities both received the National Medical Products Administration (NMPA) and Organization for Economic Co-operation and Development (OECD) GLP qualifications. The Suzhou facility was reviewed for the first time by the Japan Pharmaceuticals and Medical Devices Agency (PMDA) for on-site audit and successfully passed. New modality business continued to develop, while new vaccine capabilities continued to improve, and market share of nucleic acids, conjugates, and mRNA further expanded.
- Revenue of clinical CRO & SMO grew 5.8% YoY to RMB0.89 billion. Among which, SMO revenue grew 20.4% YoY, maintaining industry leading position in China. During the Reporting Period, clinical CRO enabled our customers to obtain 14 IND approvals and SMO supported 31 new drug approvals for customers. SMO business continues steady growth, maintaining significant advantages in multiple therapeutic areas (cardiovascular disease, ophthalmology, rheumatology, central nervous system, endocrinology, medical aesthetics, and rare tumors etc.).

## (3) *WuXi Biology*

Revenue from WuXi Biology reached RMB1.17 billion. During the Reporting Period:

- The Company focused on improving capabilities related to new modalities. Revenue from new modalities grew 8.1% YoY, contributing 29.0% of WuXi Biology revenue. Number of customers and projects served by the nucleic acid platform continued to increase. Cumulatively the Company provided services to over 260 customers, and successfully delivered over 1,200 projects since 2021. The Company proactively built capabilities to collaboratively develop membrane proteins and peptides, leading to remarkable increase in business volume of related protein production, screening and subsequent validation services.

- The Company further integrated resources of the in vivo pharmacology platform, and continued to improve platform capabilities and efficiency. The Company also fully leveraged the advantage of the one-stop service platform with in vitro and in vivo synergy to further gain market share in metabolic, cardiovascular and neurological areas, and the number of customers served grew over 30% YoY.
- During the Reporting Period, WuXi Biology continued to generate downstream opportunities and contributed over 20% of the Company's new customers.

(4) *WuXi ATU*

Revenue from WuXi ATU reached RMB0.57 billion. During the Reporting Period:

- Revenue was below expectation, primarily due to: (1) commercial projects are still in early stage of ramping up; (2) certain projects were delayed, or cancelled due to customers' pipeline prioritization or funding issue; and (3) insufficient new business wins due to the proposed U.S. legislation.
- The Company continues to improve our CTDMO integrated enabling platform. As of June 30, 2024, we provided development, testing and manufacturing services for 64 projects, including 2 commercial projects, 5 Phase III projects (2 projects in BLA preparation stage), 8 Phase II projects and 49 pre-clinical and Phase I projects, among which, the world's first innovative TIL-based therapy was approved by FDA during the Reporting Period. We are preparing for BLA filing to manufacture LVV used in a commercial CAR-T product. We completed process performance qualification (PPQ), started post-PPQ manufacturing, and expect to file pre-approval submission (PAS) to FDA in the second half of 2024. Moreover, we expect to complete PPQ in the second half of 2024 and file PAS to FDA in the first half of 2025 for a blockbuster commercial CAR-T product.

Despite uncertainty of the external environment, revenue is expected to reach RMB38.3–40.5 billion in 2024, and maintain positive growth of 2.7–8.6% excluding COVID-19 commercial projects.

The abovementioned operating performance forecast for the full year of 2024 is made based on the current order backlog of the Company. In addition, such operating performance forecast is subject to various prerequisites, including the stable development of the global pharmaceutical industry, the stability of the international trade environment and regulatory environment of the countries where the main operations of the Company are located. Further, such operating performance forecast does not constitute a profit forecast by the management of the Company for the full year of 2024 nor a substantive undertaking by the Company to investors. Its realization is subject to various factors including but not limited to changes in internal and external environment, where greater uncertainty exists.

### ***Gross Profit***

	Six months ended June 30,				Gross Profit Change
	2024		2023		
	Gross Profit <i>RMB million</i>	Gross Profit Margin	Gross Profit <i>RMB million</i>	Gross Profit Margin	
WuXi Chemistry	5,243.8	42.9%	5,906.6	43.9%	(11.2)%
WuXi Testing	1,052.9	34.9%	1,118.6	36.2%	(5.9)%
WuXi Biology	420.5	36.0%	483.0	39.2%	(12.9)%
WuXi ATU	(172.5)	(30.0)%	(57.9)	(8.1)%	N/A
WuXi DDSU	150.1	58.4%	95.9	28.0%	56.5%
Gross profit of core business	6,694.8	38.9%	7,546.3	40.0%	(11.3)%
Gross profit of other business	6.0	51.9%	9.4	37.8%	(35.7)%
Comprehensive gross profit	<u>6,700.9</u>	<u>38.9%</u>	<u>7,555.7</u>	<u>40.0%</u>	<u>(11.3)%</u>

*Note:* The discrepancies between the total and the sums of the amounts in the table above are due to rounding.

During the Reporting Period, the Company realized RMB6,700.9 million in gross profit, representing a YoY decrease of 11.3%. Gross profit margin of the core business was 38.9%, reflecting ongoing improvements in operational efficiency. However, this represents a decrease of 1.2 percentage points from the same period of 2023, due primarily to changes in the portfolio mix and market impact.



### ***Other Gains and Losses***

Other gains and losses decreased from gains of RMB1,061.2 million for the six months ended June 30, 2023 to gains of RMB208.4 million for the six months ended June 30, 2024. The decrease was primarily due to: (1) turn-around from gain to loss in derivative financial instruments of RMB551.9 million mainly resulted from fair value change and settlement of forward foreign exchange contract; (2) decrease in fair value gain of biological assets of RMB191.0 million; and (3) decrease in gain on financial assets at FVTPL of RMB124.9 million.

### ***Share of Results of Associates***

Share of results of associates turned from losses of RMB76.5 million for the six months ended June 30, 2023 to gains of RMB115.8 million for the six months ended June 30, 2024. The turnaround from losses to gains was primarily due to (1) increase in equity pick-up gain of RMB126.6 million from WuXi XDC Cayman Inc.; and (2) decrease in equity pick-up losses of RMB64.1 million from WuXi Healthcare Ventures II, L.P.

### ***Profit for the Period***

Profit for the Reporting Period decreased from RMB5,356.9 million for the six months ended June 30, 2023 to RMB4,280.8 million for the six months ended June 30, 2024, representing a YoY decrease of 20.1%. Profit margin decreased from 28.4% to 24.8% primarily due to revenue decline during the Reporting Period.

### **Cash Flows**

	<b>Six months ended June 30,</b>		
	<b>2024</b>	<b>2023</b>	<b>Change</b>
	<b>RMB million</b>	<b>RMB million</b>	
Net cash from operating activities	<b>4,738.8</b>	5,340.7	(11.3)%
Net cash used in investing activities	<b>(1,745.9)</b>	(1,307.8)	33.5%
Net cash used in financing activities	<b>(3,463.1)</b>	(2,612.8)	32.5%
Free cash flow	<b>3,228.3</b>	2,925.7	10.3%

For the six months ended June 30, 2024, net cash generated from operating activities of the Company amounted to RMB4,738.8 million, representing a decrease of 11.3% as compared with the six months ended June 30, 2023. The decrease was primarily due to increasing payment for production preparations for order deliveries in the second half of the year. Excluding COVID-19 commercial projects, net cash generated from operating activities for the first half of 2024 increased by RMB1.5 billion compared to the same period of 2023, representing a growth rate of 48.5%, primarily due to substantial cash receipts from the COVID-19 commercial projects in the first half of 2023.



For the six months ended June 30, 2024, net cash used in investing activities of the Company amounted to RMB1,745.9 million, representing an increase of 33.5% as compared with the six months ended June 30, 2023. The increase was primarily due to the increased investment in short-term deposits, partially offset by the decrease in capital expenditures.

For the six months ended June 30, 2024, net cash used in financing activities of the Company amounted to RMB3,463.1 million, representing an increase of 32.5% as compared with the six months ended June 30, 2023. The increase was primarily due to the increase payments on repurchase of A Shares, partially net off by net addition of bank borrowings during the Reporting Period.

### ***Indebtedness***

As at June 30, 2024, total liabilities of the Company amounted to RMB19,302.6 million (December 31, 2023: RMB18,151.9 million), the composition of which was 35.1% being trade and other payables, 30.1% being bank borrowings, 13.1% being contract liabilities and 21.7% being other items.

#### *(1) Bank Borrowings (current and non-current)*

As at June 30, 2024, the Company had aggregated bank borrowings of RMB5,811.6 million. Among the total bank borrowings, RMB2,919.3 million will be due within one year and RMB2,892.3 million will be due after one year. Floating interest rate bank borrowings amounted to RMB2,189.5 million and fixed interest rate bank borrowings amounted to RMB3,622.1 million. USD bank borrowings amounted to RMB2,189.5 million (equivalent to approximately USD300.0 million) and RMB bank borrowings amounted to RMB3,622.1 million.

#### *(2) Charges on Assets*

As at June 30, 2024, the Company pledged bank deposits with an amount of RMB1.6 million, which decreased by 0.4% from RMB1.6 million as at December 31, 2023. The balance mainly represented deposits in restricted bank balance related to collateral for letters of guarantee for the purchase of raw materials and plant and equipment by the Group.

#### *(3) Contingent Liabilities*

As at June 30, 2024, the Company had no significant contingent liabilities.

#### *(4) Gearing Ratio*

As at June 30, 2024, the gearing ratio, calculated as total liabilities over total assets, was 25.9%, as compared with 24.6% as at December 31, 2023. The higher ratio was primarily due to increasing bank borrowings for daily operations and capital expenditure.

## *Treasury Policies*

Currently, the Group follows a set of treasury policies to manage its capital resources, foreign exchange and cash flows to prevent related risks. The Group applied its cash flows generated from operations, bank loans and proceeds from the issuance of bonds and new shares to satisfy its operational and investment needs.

Certain entities in the Group have sales and purchases in foreign currencies, which expose the Group to foreign exchange risks. In addition, certain entities in the Group also have receivables and payables which are denominated in currencies other than their respective functional currencies. The Group is mainly exposed to the foreign currency of the USD. During the Reporting Period, the Group used derivative contracts to hedge against part of our exposure to foreign exchange risks.

### **B. Non-IFRS Measure**

To supplement our condensed consolidated financial statements which are presented in accordance with the IFRS, we use adjusted EBITDA, adjusted non-IFRS gross profit, and adjusted non-IFRS net profit attributable to the owners of the Company as additional financial measures. EBITDA represents net profit before interest expenses, income tax expenses and depreciation and amortization, while adjusted EBITDA further excludes certain expenses and gains or losses as set out in the table below. We define adjusted non-IFRS gross profit and adjusted non-IFRS net profit attributable to the owners of the Company as set out in the table below. Adjusted EBITDA, adjusted non-IFRS gross profit and adjusted non-IFRS net profit attributable to the owners of the Company are not an alternative to (i) profit before income tax or profit for the period (as determined in accordance with the IFRS) as a measure of our operating performance, (ii) cash flows from operating, investing and financing activities as a measure of our ability to meet our cash needs, or (iii) any other measures of performance or liquidity.

The Company believes that the adjusted EBITDA, adjusted non-IFRS gross profit and adjusted non-IFRS net profit attributable to the owners of the Company are useful for understanding and assessing underlying business performance and operating trends, and that the Company's management and investors may benefit from referring to these adjusted non-IFRS financial measures in assessing the Group's financial performance by eliminating the impact of certain unusual, non-recurring, non-cash and/or non-operating items that the Group does not consider indicative of the performance of the Group's business. Such adjusted EBITDA, adjusted non-IFRS gross profit and adjusted non-IFRS net profit attributable to the owners of the Company, as the management of the Group believes, are widely accepted and adopted in the industry in which the Group is operating in. However, the presentation of the adjusted EBITDA, adjusted non-IFRS gross profit and adjusted non-IFRS net profit attributable to the owners of the Company are not intended to be (and should not be) considered in isolation or as a substitute for the financial information prepared and presented in accordance with the IFRS. Shareholders and potential investors should not view the adjusted non-IFRS measures on a stand-alone basis or as a substitute for results under the IFRS, or as being comparable to results reported or forecasted by other companies.

## *Adjusted EBITDA*

	<b>Six months ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB million</b>	<b>RMB million</b>
	<b>(except for</b>	<b>(except for</b>
	<b>percentages)</b>	<b>percentages)</b>
<b>Profit before tax</b>	<b>5,049.6</b>	6,395.2
<b>Add:</b>		
Interest expense	<b>128.9</b>	100.7
Depreciation and amortization	<b>1,392.1</b>	1,211.2
<b>EBITDA</b>	<b><u>6,570.6</u></b>	<b><u>7,707.1</u></b>
<i>EBITDA margin</i>	<b>38.1%</b>	40.8%
<b>Add:</b>		
Share-based compensation expenses	<b>196.2</b>	391.1
Issuance expenses of Convertible Bonds	—	0.4
Fair value gain from derivative component of Convertible Bonds	—	(40.2)
Foreign exchange related losses (gains)	<b>81.1</b>	(398.5)
Non-financial assets impairment	—	42.9
Realized and unrealized gains from venture capital investments	<b>(117.1)</b>	(237.0)
Realized and unrealized share of losses (gains) from joint ventures	<b>4.2</b>	(7.7)
<b>Adjusted EBITDA</b>	<b><u>6,734.9</u></b>	<b><u>7,458.1</u></b>
<i>Adjusted EBITDA margin</i>	<b>39.1%</b>	39.5%

*Note:* The discrepancies between the total and sums of amounts in the table above are due to rounding.

***Adjusted Non-IFRS Gross Profit and Net Profit Attributable to the Owners of the Company***

	<b>Six months ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB million</b>	<b>RMB million</b>
<b>Net profit attributable to the owners of the Company</b>	<b>4,239.8</b>	5,313.1
<b>Add:</b>		
Share-based compensation expenses	<b>165.0</b>	324.4
Issuance expenses of Convertible Bonds	—	0.3
Fair value gain from derivative component of Convertible Bonds	—	(40.2)
Foreign exchange related losses (gains)	<b>29.0</b>	(336.5)
Amortization of acquired intangible assets from merge and acquisition	<b>27.0</b>	28.5
Non-financial assets impairment	—	42.9
	<hr/>	<hr/>
<b>Non-IFRS net profit attributable to the owners of the Company</b>	<b><u>4,460.7</u></b>	<b><u>5,332.5</u></b>
<b>Add:</b>		
Realized and unrealized gains from venture capital investments	<b>(92.7)</b>	(230.2)
Realized and unrealized share of losses (gains) from joint ventures	<b>4.2</b>	(7.7)
	<hr/>	<hr/>
<b>Adjusted non-IFRS net profit attributable to the owners of the Company</b> <sup>(Note 1)</sup>	<b><u>4,372.2</u></b>	<b><u>5,094.7</u></b>
<b>Adjusted non-IFRS gross profit</b> <sup>(Note 2)</sup>	<b>6,865.2</b>	7,854.6
<b>Adjusted non-IFRS gross profit margin</b>	<b>39.8%</b>	41.6%

*Note 1:* The discrepancies between the total and sums of amounts in the table above are due to rounding.

*Note 2:* The adjustments made to the adjusted non-IFRS gross profit mentioned above are the same as those made to the adjusted non-IFRS net profit attributable to the owners of the Company at the gross profit level.

## C. Assets and Liabilities Analysis

Items	Amount as at June 30, 2024 (RMB million)	Percentage of the amount to the total assets as at June 30, 2024 (%)	Amount as at December 31, 2023 (RMB million)	Percentage of the amount to the total assets as at December 31, 2023 (%)	Ratio of change	Reasons
					for the amount as at June 30, 2024 as compared with the amount as at December 31, 2023 (%)	
<b>Assets</b>						
Deferred tax assets	489.5	0.7	366.7	0.5	33.5	Primarily due to increasing deductible temporary difference from fair value losses of derivative financial instruments.
Amounts due from related parties	57.7	0.1	86.7	0.1	(33.5)	Primarily due to collection of receivables from related parties.
Income tax recoverable	4.9	0.0	17.5	0.0	(72.1)	Primarily due to decrease of prepayment of income tax.
Financial assets at FVTPL (current)	—	—	11.0	0.0	(100.0)	Primarily due to the redemption of financial products.
Derivative financial instruments	—	—	414.0	0.6	(100.0)	Primarily due to the settlement and fair value change of forward foreign exchange contracts.
Other current assets	—	—	785.8	1.1	(100.0)	Primarily due to the redemption of large certificates of deposits.
Term deposits with initial term of over three months	4,971.0	6.7	3,761.4	5.1	32.2	Primarily due to investment in short-term deposits during the Reporting Period.

Items	Amount as at June 30, 2024 (RMB million)	Percentage of the amount to the total assets as at June 30, 2024 (%)	Amount as at December 31, 2023 (RMB million)	Percentage of the amount to the total assets as at December 31, 2023 (%)	Ratio of change for the amount as at June 30, 2024 as compared with the amount as at December 31, 2023	Reasons
					(%)	
<b>Liabilities</b>						
Derivative financial instruments	659.7	0.9	501.9	0.7	31.5	Primarily due to the fair value change of forward foreign exchange contracts.
Income tax payables	520.3	0.7	991.9	1.3	(47.5)	Primarily due to the decrease of assessable income of subsidiaries during the Reporting Period.
Bank borrowings (non-current)	2,892.3	3.9	687.0	0.9	321.0	Primarily due to the increased borrowings for daily operations and capital expenditure.

## D. Analysis on Investments

### *Investment on wealth management product*

The Group adopted a prudent financial management approach towards its treasury policy and maintained a healthy financial position throughout the Reporting Period. To better utilize surplus cash generated from operating and financing activities, we have engaged in treasury management activities by investing in wealth management products issued by financial institutions of the PRC. All the short-term investments should have a proper tenor to match funding needs generated from operating and investing activities, with a view to strike a balance among principal guaranteed, liquidity and yield.

As at June 30, 2024, the balance of current financial assets at FVTPL was nil.

## *Investment in companies*

As part of our efforts to foster the ecosystem, the Company has established joint ventures and made selective investments in a wide variety of companies within the healthcare ecosystem. We primarily focus our investments in: (1) targets that fit into and support our existing value chain, (2) cutting edge technologies that we believe will advance the healthcare industry, (3) strategic long-term investments, and (4) venture capital funds, all of which would allow us to further access a wider variety of participants in the healthcare ecosystem while maintaining our position at the forefront of science.

During the Reporting Period, investments in joint ventures and associates amounted to a total of RMB12.2 million. The Company continues to make investment in joint ventures and associates, so as to strengthen the Company's synergy and promote the development of core business, access a broader customer base and enhance service ability.

During the Reporting Period, investments in other equities aside from joint ventures and associates amounted to a total of RMB270.1 million. Our investments of financial assets at FVTPL mainly include three categories, the movements of which during the Reporting Period are listed below:

*In RMB million*

	<b>Listed companies</b>	<b>Fund investments</b>	<b>Non-listed companies</b>	<b>Total</b>
Opening Balance	483.9	1,541.7	6,600.5	8,626.0
Addition	—	103.2	166.9	270.1
Fair value change during the Reporting Period	(30.2)	91.7	(20.2)	41.3
Disposal of shares	(125.5)	(10.7)	(10.5)	(146.6)
Dividends	—	(20.8)	—	(20.8)
Foreign exchange effects	12.0	27.0	130.3	169.3
<b>Ending Balance</b>	<b>340.2</b>	<b>1,732.2</b>	<b>6,866.9</b>	<b>8,939.3</b>

*Note:* the discrepancies between the total and sums of amounts in the table above are due to rounding.

The following are some of our major investments in non-listed companies across several different areas in the healthcare industry as at June 30, 2024.



### ***Genesis Medtech Group Limited (“Genesis”)***

Genesis provides high-quality research, production and sales services on medical device. As at June 30, 2024, the fair value of the equity interests held by our Group in Genesis amounted to RMB1,642.5 million (representing 2.2% of our total assets).

Genesis aspires to become China’s largest medical technology company, an integrated platform with comprehensive product portfolio and extensive sales network with a business focus in the high-value medical device area. As at June 30, 2024, Genesis has over 1,517 employees and covers over 2,000 hospitals, of which more than 50% are Class III Grade A hospitals in China.

### ***iKang Healthcare Group (“iKang”)***

iKang is a leading medical examination and health management group in China, providing high-quality medical services including medical examination, disease detection, dental services, private doctors, vaccination and anti-aging. As at June 30, 2024, the fair value of equity interests held by our Group in iKang amounted to RMB486.9 million (representing 0.7% of our total assets).

iKang was formerly listed on the National Association of Securities Dealers Automated Quotations (“NASDAQ”) Stock Exchange and subsequently privatized in January 2019. As at June 30, 2024, iKang operated 154 medical examination centers and 10 independent dental clinics in 59 cities. iKang also cooperated with over 800 medical institutions in over 200 cities in China to provide one-stop countrywide medical examination and health management services.

### ***Jiangsu Hanbon Science and Technology Co., Ltd. (“Hanbon”)***

Hanbon, a national key high-tech enterprise focusing on the chromatography-related products, contributes to providing professional chromatographic technology products and services to pharmaceutical and life science industries. As at June 30, 2024, the fair value of the equity interests held by our Group in Hanbon amounted to RMB289.8 million (representing 0.4% of our total assets).

Hanbon focuses on the field of chromatographic separation and purification products. Through independent research and development and long-term investment, it has built a rich chromatography product matrix and also launched two categories line of small molecule drug and large molecule separation and purification equipment for industrial production and laboratory research and development. It forms a full product system that can meet the needs of laboratory research and development to industrial production, and provides high-quality purification equipment and application solutions to domestic and foreign pharmaceutical companies.

### ***Cyagen (Suzhou) Biotechnology Co., Ltd. (“Cyagen”)***

Founded in 2011, Cyagen is a model animal CRO platform for scientific research and drug development. As at June 30, 2024, the fair value of the equity interests held by our Group in Cyagen amounted to RMB185.6 million (representing 0.2% of our total assets).

Cyagen is committed to providing a wide range of drug development services, including animal model libraries, model customization, breeding, aseptic mouse technology services, and phenotype function verification, to fully meet the needs of customers in basic research and new drug development for animal models. At the same time, Cyagen continues to enrich its product line, including platforms for target prediction and verification, virus vector development, evaluation model construction, and effectiveness evaluation.

### ***Boomray Pharmaceuticals Co., Ltd. (“Boomray”)***

Boomray is a company dedicated to the discovery and clinical development of radionuclide targeted drugs. The company primarily focuses on precision tumor diagnosis and treatment. As at June 30, 2024, the fair value of equity interests held by the Group in Boomray amounted to RMB170.3 million (representing 0.2% of our total assets).

Boomray focuses on the discovery and development of new generation of radionuclide drug conjugates (RDC). There are various potential FIC/BIC drug candidates in the pipeline, including diagnosis and therapeutic products for multiple solid tumors. The IND of Boomray’s PET-CT tracer, BR-02, for brain tumors has been approved by the FDA and CDE, respectively. Multiple IITs for diagnosis and treatment of RDC are currently underway with clinical trails. In addition, Boomray has obtained the Radiation Safety License and established the in-house radio-labelling, pre-clinical studies and preliminary clinical supply capability. Boomray is developing multiple new targets RDCs and new isotope technology platforms.

### ***Significant Investment Held***

As at June 30, 2024, the Group did not hold significant investments with a value of 5% or more of the Company’s total assets and none of the above mentioned investment constituted such significant investment to our Group. As at the date of this announcement, the Group does not have any plan for material investments or purchase of capital assets.

## E. Core Competence Analysis

We believe that the below strengths have enabled us to succeed and stand out from our competitors:

**(1) *Leading global new drug R&D services platform with integrated end-to-end capabilities***

We are one of the few open service platforms for new drug R&D in the industry that has service capabilities covering the entire new drug R&D industry chain, and we are expected to fully benefit from the rapid development of the global new drug R&D outsourcing services market. Our integrated end-to-end new drug R&D service platform can meet diversified customers' demands in terms of technologies and coverage of services. In line with the scientific pattern of continuous development of new drug research and development projects from the early stage to the later stage, in the process of continuous advancement of customer projects, the Company continues to expand our services from "follow the project" to "follow the molecule". At the early stage of new drug R&D, we enable our customers with our expertise, and have won the trusts of numerous customers, and we enjoy high reputation in the industry which allow us to obtain more business opportunities at the subsequent product development and commercialization stages, continuously driving the growth of our business. During the Reporting Period, we fully leveraged our global footprint and full industrial chain coverage to timely assist our customers in pushing forward their new drug R&D through global linkage, which gained wide recognitions from them. Going forward, we will continue to enhance our capacity and expand our scale globally in order to enable pharmaceutical innovations worldwide more effectively.

**(2) *Continuously track leading scientific technologies and enable innovation through leading advantages***

We are committed to leveraging the latest scientific and technological discoveries to enable medical innovation in an effort to assist our customers in transforming new drug ideas into reality. With our leading service capability and scale in the industry, we are positioned to integrate technological development and emerging R&D trends of the industry in the future and seize new development opportunities. With the continuous breakthroughs in new technologies, new mechanisms and new molecular types, and after years of development and accumulation, we have adopted a number of industry-leading technologies and capabilities. Our API platform continues to improve our R&D capabilities in flow chemistry, enzyme catalysis, crystallization and particle engineering process research. The capabilities of our formulation platforms have expanded

from oral preparation to sterile injectable preparations, and we will continue to conduct research on the formulation process of poorly soluble drugs and the development and application of new technologies such as spray drying, hot melt extrusion and lipid nanoparticles. In addition, we have comprehensive R&D and production capabilities for highly active drugs, providing “end-to-end” services from active pharmaceutical ingredients to preparations, covering oral and injectable drugs. The capabilities of our WuXi TIDES platform fully utilize innovative technologies such as thin-film evaporation, tangential flow filtration (TFF)/precipitation and continuous flow purification to provide one-stop services covering drug discovery, CMC research and production for oligonucleotides, peptides and related chemical conjugated drugs. Looking forward, we will continue to enhance the service capabilities of new molecular types, such as peptide, oligonucleotide, PROTAC, conjugate, and advanced therapies, to enable global medical innovation.

Moreover, we put efforts in exploring various cutting-edge technologies that can be applied to the new drug research and development process, and help customers to improve their R&D efficiency, minimizing the entry barrier of pharmaceutical R&D. Leveraging our deep insights into industrial trends and emerging technologies, we enable our customers to understand and study the latest scientific discoveries and convert them into potential commercial results.

**(3) *Strengthening our platform through enhancing our capacities and scale construction by leveraging our deep knowledge of the industry and deep discovery of customer needs***

We have accumulated extensive industry experience after 20 years of rapid growth. We provide services to leading global pharmaceutical companies, and establish deep partnerships with them. Throughout the cooperation, we keep abreast of the latest industry trends and accumulate experience in meeting customer needs. Through continuous capability and scale construction, as well as strategic mergers and acquisitions to enhance our business services, we provide customers with more premium and comprehensive services.

We continue to advance our design and construction of facilities, enhance its capabilities and capacities globally, and improve the efficiency of asset utilization. In January 2024, the total reactor volume of solid phase peptide synthesizers increased to 32,000L. In May 2024, the construction of the R&D and manufacturing site in Singapore officially started. Our unique integrated CRDMO business model continues to meet customer demand. The Company keeps investing in D&M capacity, and expects D&M Capex to increase more than 50% YoY in 2025.

In the future, with the continuous innovation of science and technology, customers' demand for high-quality capabilities and production capacity will continue to increase, and the Company will provide integrated, end-to-end new drug research and development and production services to the global pharmaceutical and life science industries. The Company will continue to strengthen its capabilities and scale to provide its customers with the best services.

**(4) *Strong, loyal and expanding customer base and continuing growth of the ecosystem in the healthcare field***

We have a strong, diverse and loyal customer base, covering all of the top 20 pharmaceutical companies worldwide. As the number and types of the Company's enabling platform continue to strengthen, the number of new and existing customers grows steadily. Our enabling platform helps lower the entry barrier for new drug R&D, improve R&D efficiency, and support partners in achieving success, attracting more participants to join the new drug R&D industry. Throughout this process, the Company continuously drives the development of new knowledge and technologies, improves R&D efficiency, reduces R&D costs, and the platform's innovative enabling capabilities continue to strengthen, forming a virtuous cycle ecosystem.

During the Reporting Period, the Company held the WuXi Global Forum and many Innovation Day Series activities, and top industry KOLs were invited to focus on the industry's future major challenges and opportunities, explore global innovation cooperation, and share the latest breakthroughs in the industry. The forums had over 4,000 registered attendees. During the Reporting Period, the Company also launched the "WuXi On Air" online activities, completing 25 live broadcasts involving 12 series, covering introductions to all five major operating segments of the Company, reaching over 20 countries and regions, as well as 34 provincial administrative regions in China, with a total viewer count exceeding 100,000.

**(5) *Experienced management team with vision and ambition***

We have an excellent management team with global vision and industrial strategic insight. Our management team led by Dr. Ge Li has extensive working experience in the medical industry, with strong execution ability, many years of investment and management experience in the medical industry and international vision. It also has relatively high reputation in the global life sciences field. Our experienced and visionary management team enables the Company to have a unique and sharp understanding of the global economic cycle and the

overall development trend of the medical industry. Under the leadership of our management, we are able to deeply understand market and industry development trends, policy changes and their impacts on customer needs, quickly adjust our business models, improve decision-making speed and flexibility to match customer needs, driving the rapid development of the business segments of the Company and becoming a leader in the global healthcare ecosystem.

## **F. Other Events**

### **(1) *Unlocking and trading of the Restricted A Shares granted under the 2019 A Share Incentive Plan***

On March 1, 2024, the Board resolved to approve the resolution in relation to the fulfilment of the conditions for the unlocking of the Restricted A Shares granted under the 2019 Special Grant for the fourth unlocking period. As a result, 1 incentive participant has satisfied the conditions for unlocking the Restricted A Shares granted under the 2019 Special Grant for the fourth unlocking period and a total of 83,629 Restricted A Shares were unlocked, representing approximately 0.0033% of the then total number of issued A Shares of the Company and approximately 0.0028% of the then total issued share capital of the Company, respectively. The listing of the trading in the aforementioned Restricted A Shares to be unlocked commenced on March 7, 2024. Please refer to the relevant announcement of the Company dated March 1, 2024 for further details.

On March 18, 2024, the Board resolved to approve the resolution in relation to the fulfilment of the conditions for the unlocking of the Restricted A Shares granted under the 2019 Reserved Grant for the third unlocking period. As a result, a total of 12 incentive participants have satisfied the conditions for unlocking the Restricted A Shares granted under the 2019 Reserved Grant for the third unlocking period and a total of 101,376 Restricted A Shares were unlocked, representing approximately 0.0040% of the then total number of issued A Shares of the Company and approximately 0.0034% of the then total issued share capital of the Company, respectively. The listing of and trading in the aforementioned Restricted A Shares to be unlocked commenced on March 22, 2024. Please refer to the relevant announcement of the Company dated March 18, 2024 for further details.



**(2) *Exercise of Share Options granted under the 2019 Adjusted Initial Grant for the third vesting periods***

Following the fulfillment of the exercise conditions for the third vesting period of the Share Options granted under the 2019 Adjusted Initial Grant, the third vesting period of the Share Options granted under the 2019 Adjusted Initial Grant was from June 27, 2023 to May 25, 2024. The number of Share Options which became vested to the 311 incentive participants during the third vesting period was 1,690,933 units at the exercise price of RMB38.62 per unit. Please refer to the relevant announcement of the Company dated June 19, 2023 for further details.

As at June 30, 2024, 307 incentive participants have exercised an aggregate 1,659,424 units of Share Options granted under the 2019 Adjusted Initial Grant for the third vesting period. The underlying shares of the exercised Share Options are ordinary A Shares to be issued by the Company to the incentive participants. The Company has completed the registration of the underlying A Shares with the Shanghai Branch of the China Securities Depository and Clearing Corporation Limited. The underlying A Shares were credited to the respective securities accounts of the incentive participants on the first trading day (T + 1) after the date of exercise of the Share Options (T), while trading in the underlying A Shares shall commence on the trading day thereafter (T + 2). As the third vesting period has expired, the 31,509 Share Options which have not been exercised within the third vesting period will be cancelled by the Company. Please refer to the relevant announcement of the Company dated July 1, 2024 for further details.

**(3) *2023 Profit Distribution Plan***

On June 12, 2024, the 2023 Profit Distribution Plan of the Company was approved at the 2023 AGM. Pursuant to the 2023 Profit Distribution Plan, the Company would pay a cash dividend of RMB9.8974 (inclusive of tax) for every 10 Shares to the Shareholders whose names appear on the register of members of the Company on June 25, 2024. Please refer to the circular of the Company dated May 10, 2024 and the relevant announcements of the Company dated May 27, 2024 and June 12, 2024 for further details.



**(4) *Further grant of 2022 Awards under the 2022 H Share Award and Trust Scheme***

During the Reporting Period, 2022 Awards with 292,040 underlying 2022 Award Shares have been further granted to 38 2022 Independent Selected Participants, accounting for approximately 0.0754% of the total number of issued H Shares and approximately 0.0100% of the total issued share capital of the Company. Please refer to the relevant announcements of the Company dated January 11, 2024 and June 24, 2024 for further details.

**(5) *Termination of the 2023 H Share Award and Trust Scheme***

On October 30, 2023, the “Proposal on the Termination of the 2023 H Share Award and Trust Scheme of the Company and the Repurchase and Cancellation of H Shares” was unanimously approved by the Board at the fourth meeting of the third session of the Board, pursuant to which the implementation of the 2023 H Share Award and Trust Scheme shall be terminated and 15,467,500 H Shares shall be repurchased and cancelled.

Please refer to the relevant announcements of the Company dated April 24, 2023, October 30, 2023, the circular of the Company dated April 27, 2023 and the poll results announcement dated May 31, 2023 for further details. Please refer to the section headed “Purchase, sale or redemption of listed securities of the Company” below for further details on the completion of the repurchase and cancellation of the Acquired Award Shares.

**(6) *Adoption of the 2024 H Share Award and Trust Scheme***

The adoption of the 2024 H Share Award and Trust Scheme was approved at the 2023 AGM of the Company held on June 12, 2024. The source of the 2024 Award Shares under the 2024 Scheme shall be H Shares to be acquired by the trustee through on market transaction at the prevailing market price in accordance with the instructions of the Company and the relevant provision of the 2024 Scheme Rules.

Please refer to the relevant announcement of the Company dated April 29, 2024, the circular of the Company dated May 10, 2024 and the poll results announcement dated June 12, 2024 for further details.

# **THE MANAGEMENT’S DISCUSSION AND ANALYSIS ON FUTURE DEVELOPMENT OF THE COMPANY**

## **A. Industry Landscape and Trends**

The global pharmaceutical research and production service industry is expected to maintain rapid growth, driven by a higher proportion of outsourcing from large pharmaceutical companies and the increasing demands from small and medium pharmaceutical companies. On the one hand, the innovative drug R&D industry is characterized by large investments, long cycles, and high risks. As a result of low R&D returns and the “patent cliff” faced by drug manufacturers, large pharmaceutical companies are expected to promote R&D projects through external R&D institutes to improve R&D efficiency and reduce R&D costs. On the other hand, small pharmaceutical companies, including small and medium life science companies and individual entrepreneurs, have become a major driving force for pharmaceutical innovation. These small and medium pharmaceutical companies do not have the time or sufficient capital to build their own R&D project laboratories and production facilities but need various services to meet their needs of R&D project in a short period of time. They will seek R&D and production outsourcing services, especially integrated end-to-end R&D services, to fulfill their R&D service needs from concept verification to product launch.

## **B. Development Strategies**

Our vision is to become a platform with the highest, broadest and deepest capabilities and technologies in the global healthcare industry, so that “every drug can be made and every disease can be treated”. We provide the global pharmaceutical industry with comprehensive and integrated new drug R&D and production services. Through empowering pharmaceutical, life science and medical device companies worldwide, we are committed to promoting new drug development and delivering groundbreaking treatment solutions to patients. With the research focused and customer-oriented principle, we help customers improve R&D efficiency by offering cost-effective and efficient R&D services, bringing more quality new drugs to patients faster.

Today, the healthcare industry is entering an unprecedented golden era, where knowledge meets data, and technology meets healthcare. The future new drug R&D model will witness a new definition and profound reforms. A patient-centered healthcare innovation ecosystem is emerging. Driven by data and technology, more and more scientists, engineers, entrepreneurs, doctors and patients will participate in all aspects of R&D and innovation. In the future, we will always: (1) expand our service capacity and capabilities globally; (2) explore the field of cutting-edge technologies through internal innovation and external merge and acquisition, and empower customers with world-leading science and technology; (3) enhance customer

stickiness, increase customer conversion rate and continuously acquire new customers; (4) introduce quality talent to support our rapid growth; and (5) strengthen ecosystem development and improve our platform.

## **C. Operation Plan**

In 2024, we will continue to focus on capacity and scale building, based on the cutting-edge technology, and continuously improve our integrated empowerment platform, so that anyone or any company can realize their own innovative dreams through the WuXi AppTec platform.

### **(1) Platform Building**

On the one hand, we will further enhance the capabilities and scale of our R&D service platform as well as the asset utilization efficiency. We continue advancing the construction of various facilities in Taixing, U.S. and Singapore, aiming to better serve the requirements of our global customers.

On the other hand, we will further explore advantages of the integrated end-to-end R&D services platform to strengthen customer conversion. With the continuous advancement of development projects of customers, we will expand services offering by evolving from “following the project” to “following the molecule”.

### **(2) Customer Strategy**

We are committed to further improving customers’ satisfaction through providing high quality and efficient services and strict intellectual property protections for our customers. Moreover, we will continue to add more new customers worldwide, in particular, long-tail customers, through diversified channels. We will attract more participants to join the new drug R&D industry and enable more customers to succeed through ongoing reduction of entry barrier of the drug R&D industry.

### **(3) Quality and Compliance**

We have always adhered to the highest international quality standard and attached great importance to our compliance with relevant laws and regulations. We have developed management systems concerning quality control, safety in production, intellectual property protection, international trade compliance, sales management, financial and accounting management, business continuity plan, etc. In 2024, we will continue to refine and implement our standard operating procedure to prevent occurrence of accidents and facilitate sound growth of all segments.

#### **(4) *Innovation and Development***

We will continue to use the latest technology to enable global pharmaceutical innovation. We have the global-leading new drug R&D platform and extensive experience of cutting-edge projects and closely followed the forefront of new drug R&D technological development. We will continue to invest substantially in further improving service capabilities for new molecule types, such as peptide, oligonucleotide, proteolysis targeting chimera (PROTAC), conjugate, bi-specific antibody, advanced therapies, to capture new business opportunities and empower global pharmaceutical innovation.

On such basis, we put efforts in exploring various cutting-edge technologies that can be applied to the new drug research and development process, and help customers to improve their R&D efficiency, while minimizing the entry barrier of pharmaceutical R&D.

We will unswervingly promote digital transformation and we are committed to fully utilizing data to guide efficiency improvement. On the basis of the digitalization pilot program of STA, we will continue to expand the digitalization of other business units, and further upgrade and optimize existing data-based business value realization model.

#### **(5) *Team of Talents***

We will continue to introduce, foster and retain top talents within the industry. We have taken specific initiatives including: (1) strengthening the reform of the reward, incentive and honor system by establishing a fair, transparent and result-oriented performance appraisal system; (2) providing concrete promotion opportunities; (3) providing technical and management trainings; and (4) offering market-oriented compensations to further improve our medium and long-term incentive mechanism.

#### **(6) *Corporate Culture***

We will continue to uphold our core value of “honesty and dedication, working together and sharing success; doing the right thing and doing things well”, and firmly implement our code of conduct of “customer first, honesty and integrity, ongoing improving, efficient implementation, cross-functional collaboration, transformation and innovation”, and enhance our core competitiveness.

(7) *Environment, Social and Governance (ESG)*

In 2024, we officially joined the United Nations Global Compact (UNGC), pledging to support the UNGC's ten principles in four areas (i.e., human rights, labor, environment and anti-corruption), and are committed to making the Global Compact and its principles part of the Company's strategy, culture and daily operations. In recent years, we have built an ESG data management system and continuously optimized processes to regularly track and follow up on the progress of important projects and goals in the ESG field. As an innovation enabler, a trusted partner of customers and a contributor to the global pharmaceutical and life sciences industry, we are committed to environmental sustainability to meet the expectations of international customers and other stakeholders in the field of sustainable development. Our initiatives and performance in the field of sustainable development have been highly recognized by global ESG rating agencies for many years in a row. While deepening our business and forging ahead, we will actively fulfill our commitments to all sectors and create greater value for society.

**D. Potential Risks**

(1) *Risk of market demands decline in drug R&D services*

Our business operation relies on expenditures and demands of our customers (including multi-national pharmaceutical companies, life science companies, start-ups, and scholars and non-profit research organizations, etc.) on outsourcing services, i.e., discovery, analytical testing, development and manufacturing of pharmaceuticals, advanced therapies and medical devices, etc. In the past, benefiting from continuous growth of the global pharmaceutical market and the increase of R&D budgets and the proportion of outsourcing services of our customers, the demands on our services from our customers continued to rise. Our business operation could be adversely impacted if the industry growth slows down or percentages of outsourcing services decline. In addition, any merger, consolidation and budget adjustment of pharmaceutical players might also impact our customers' R&D expenditures and outsourcing demands, resulting in adverse impact on our business operation.

(2) *Risk of changes in regulatory policy of the industry*

The drug R&D services industry is heavily regulated by regulators including drug administrations in any nation or region where we have established our presence, which typically regulate drug R&D services players through development of relevant policies, laws and regulations. The scope of regulation may cover various aspects such as technical specifications and standards and requirements

for cross-border outsourcing services and production. Systems of policies, laws and regulations in the drug R&D services industry are well established in developed countries. In China, regulators such as the NMPA also have gradually developed and continuously refined relevant laws and regulations subject to market development. In case we fail to timely adjust our operating strategy to adapt to changes of industrial policies and laws and regulations in the drug R&D services industry in corresponding nations or regions, potential adverse impact might be caused to our business operation.

**(3) *Risk of heightened competition in the drug R&D services industry***

Currently, competition in the global drug R&D services market is getting increasingly intense. Our competitors in particular segments mainly include specialized CROs/CDMOs and in-house R&D department of large pharmaceutical companies, among which, most are large global pharmaceutical companies or R&D organizations, which may enjoy advantages over us in terms of financial strength, technological capabilities and customer base. Aside from the aforementioned incumbents, we also face competition from new entrants, which either have greater financial strength, more effective business channels or stronger R&D capabilities in respective segment. We will face risk resulted from heightened competition in the pharmaceutical market and weakened competitive edge in case we fail to enhance our overall R&D strength and other strengths in business competition.

**(4) *Business compliance risk***

We have always attached great importance to the compliance of our business operation and gradually established a relatively complete internal control system, which requires our staff to abide by relevant laws and regulations and carry out business activities in accordance with relevant laws. Although we have developed a comprehensive internal control and compliance approval system as well as standard operating procedures to ensure legitimacy and compliance of our daily operation, our business operation will be adversely impacted to a certain degree resulting from failure to obtain qualifications required for daily R&D, testing analysis and production, or to completing necessary approval and filing processes or to timely coping with any regulatory requirement put forward or added by the regulators due to ineffective supervision on subsidiaries or departments by the parent company and senior management in actual practices given the number of subsidiaries we control.



(5) *Risk of global operation and change of international policy*

We have built or acquired a number of companies to fuel our global business expansion and accumulated abundant experience of global operation over the years. During the Reporting Period, our revenue from global operation accounted for a significant proportion of our main business revenue. Given that we are required to abide by applicable laws and regulations of relevant nations and/or regions where we carry out business operations and rely on suppliers of raw materials, customers and technical service providers to ensure our orderly daily operation, our global operation may be impacted and subject to potential adverse impact in case any of the following circumstances occurs, including change of laws, regulations, industrial policies or political and economic environment of any nation or region where we carry out business operation, or any other factors beyond our control such as international tension, war, trade sanction, or other force majeure.

The Company has learned that, on March 6, 2024, the U.S. Senate Committee on Homeland Security and Government Affairs voted to report to the Senate a draft bill S.3558; on May 15, 2024, the U.S. House Committee on Oversight and Accountability voted to report to the House a draft bill H.R.8333, which is an amended version of the predecessor bill H.R.7085 for the proposed Biosecure Act. Bill H.R.8333 incorporates certain amendments including, among others, the removal of certain alleged findings against WuXi AppTec and the addition of a “grandfather” clause that exempts existing contracts entered into before the effectiveness of the proposed restrictions.

The Company has further learned that, an amendment to include Biosecure Act based on Bill H.R.8333 in the National Defense Authorization Act for Fiscal Year 2025 (“**2025 NDAA**”) was not approved by the House Rules Committee for consideration by the House on the 2025 NDAA. A similar amendment to include Biosecure Act in 2025 NDAA Senate version was filed on July 10, 2024, which is currently under review by the Senate Armed Services Committee.

The legislative route of Biosecure Act involves uncertainty and multiple steps remain in the legislative process before such proposed legislation is enacted into law. The contents thereof, including the reference to the Company, are also subject to further review and changes. The Company has been actively working together with its advisors to set the record straight and advocate for appropriate changes to the proposed legislation.



The Company strongly disagrees with any preemptive and unfair designation of us as a named “biotechnology company of concern” without due process. The Company fully complies with the laws and regulations in the countries and regions in which we operate, and is working diligently to engage with U.S. policymakers and demonstrate that:

- The Company does not have a human genomics business and does not collect human genomic data in any of our businesses.
- The Company never transferred any data or intellectual property of U.S. customers to third parties without customers’ authorization.
- The Company is not affiliated with any political party, government, or armed forces thereof.
- The Company has not posed, does not pose and will not pose a national security risk to any country.
- The Company has not been subject to any sanction by the U.S. government agencies.

By adhering to our core value of “doing the right thing and doing it right”, the Company has served as a trusted and valued partner in the global healthcare community. For more than twenty years the Company has helped thousands of global customers with discovery, development, and manufacturing efforts to deliver innovative medicines that save and improve patients’ lives. We remain committed to serving our customers and helping patients around the world.

**(6) *Risk of loss of key scientific staff***

Our key scientific staff is an important part of our core competence as well as foundation and key to our survival and growth. Maintenance of a stable team of key scientific staff and attraction of talents to join us play a key role on our abilities to keep our leading position in the industry in terms of technological capabilities and continuity of our R&D and manufacturing services. Turnover of key scientific staff might occur if we lose our competitive edge in terms of compensation, incentive mechanism on core technical staff fails to give its full play or human resources management/control or internal promotion system could not be effectively implemented, which will in turn adversely affect our core competitiveness and sustainable profitability.

**(7) *Risk of failure in business expansion***

We anticipate that our customers' outsourcing demands on drug R&D, commercial manufacturing and clinical development will increase on an ongoing basis. In order to continuously meet market demands and seize the growth opportunity, we need to invest a great deal of capital and resources and continue to push forward strengthening of our capabilities and expansion of scale globally. Adverse impact might be caused to our business, financial and operating performances and outlook in case our entry into new segment suffers unforeseeable delay due to delay in construction and regulatory issues, or we fail to achieve our growth targets.

**(8) *Exchange rate risk***

Most of the revenue of our main business was settled in USD. If RMB appreciates significantly in the future, a portion of cost denominated in foreign currencies might be increased and the size of our customers' orders might be contracted due to the increase of price. In addition, the USD assets we hold might cause foreign exchange loss when exchanged for RMB funds, which may directly impact our profitability as a result.

**(9) *Risk of material impact on value of our assets at fair value by market fluctuation***

Value of our assets or liabilities measured at fair value, such as equity interests in listed companies and non-listed underlying investment interests and biological assets, are measured at the fair value at the end of each reporting period, with the changes in fair value recognized in current profit and loss. Among which, our equity interests in listed companies and other non-listed underlying interests are recorded as other non-current financial assets measured at fair value, the value of which could be greatly affected by market fluctuations. We pay close attention to the trend of the share price on the investee listed companies with a view to making timely investment decisions with these investee companies. As we mark-to-market the fair value of certain of our investments on a periodic basis, we expect the fair value of our financial assets at fair value, especially the value of shares in publicly-traded companies held by us, may be significantly changed by capital market fluctuations which may cause significant fluctuations on our net profit and further affect our results.

## ***(10) Risks of impact of emergencies and force majeure on our operation***

Emergent public health emergencies, earthquakes, typhoons and other force majeure events may affect our operation. In response to these situations, we have developed business continuity plans to timely and systematically facilitate the resumption of the critical operations, functions, and technology in the pre-and post-crisis periods and during the crisis, ensuring that our business can continue to develop feasibly and steadily. However, if our business continuity plans fail to cope with the impact of relevant emergencies and force majeure events, it may have an adverse impact on our business, finance, operational performance and prospects.

## **HUMAN RESOURCES**

As at June 30, 2024, the Group had 38,134 employees. The Group enters into employment contracts with its employees to cover matters such as position, term of employment, wage, employee benefits and liabilities for breaches and grounds for termination.

The remuneration of the Group's employees includes basic salaries, allowances, bonus, share options and other employee benefits, and is determined with reference to their experience, qualifications and general market conditions. We provide regular trainings to our employees in order to improve their skills and knowledge. The training courses range from further educational studies to skill training to professional development course for management personnel.

## **PRE-EMPTIVE RIGHTS**

There are no provisions for pre-emptive rights under the Articles of Association, or the laws of the PRC, which would oblige the Company to offer new shares on a pro-rata basis to its existing Shareholders.

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

### **Completion of direct repurchase of H Shares from the Scheme Trustee and cancellation of such H Shares**

On January 5, 2024, the Proposal on the Direct Repurchase of H Shares in relation to the 2023 H Share Award and Trust Scheme from the Scheme Trustee and the Cancellation of such H Shares was considered and approved by way of special resolutions of (i) the Shareholders at the 2024 EGM; (ii) the A Shareholders at the 2024 First A Share Class Meeting; and (iii) the H Shareholders at the 2024 First H Share Class Meeting. Accordingly, the Company has entered into a sale and purchase agreement (the "SPA") under the

principal terms as disclosed in the circular of the Company dated December 13, 2023, for the Scheme Trustee to sell, and the Company to purchase, 15,467,500 H Shares of the Company acquired by the Scheme Trustee through on-market transaction as the source of the Award Shares of the 2023 H Share Award and Trust Scheme (the “**Acquired Award Shares**”).

Completion of the repurchase of the Acquired Award Shares under the SPA took place on January 15, 2024. The Acquired Award Shares have been cancelled by the Company’s H Share Registrar on January 18, 2024. Please refer to the relevant announcement of the Company dated January 18, 2024 and the next day disclosure return of the Company dated January 18, 2024 for further details.

### **Repurchase of A Shares of the Company for the first time**

In order to safeguard the value of the Company and the interests of the shareholders of the Company, on February 1, 2024, the seventh meeting of the third session of the Board considered and approved the Resolution on Repurchase of A Shares of the Company through Bidding, authorizing the Company to use its own funds to repurchase A Shares of the Company through bidding.

On February 5, 2024, the Company implemented the Share Repurchase for the first time, and has repurchased 20,275,407 A Shares, representing 0.69% of the then total issued share capital of the Company. 20,275,407 A Shares repurchased on February 5, 2024 were cancelled on March 20, 2024. Please refer to the relevant announcements of the Company dated February 2, 2024 and February 5, 2024 and the next day disclosure return of the Company dated March 20, 2024 for further details.

### **Repurchase of A Shares of the Company for the second time**

In order to further safeguard the value of the Company and the interests of the shareholders of the Company, on March 8, 2024, the tenth meeting of the third session of the Board considered and approved the Resolution on Repurchase of A Shares of the Company through Bidding, authorizing the Company to continue using its own funds to repurchase A Shares of the Company through bidding.

On May 22, 2024, the Company completed the Second Share Repurchase, and has repurchased an aggregate of 21,593,780 A Shares through bidding, representing 0.74% of the then total issued share capital. 21,593,780 A Shares repurchased from the Second Share Repurchase were cancelled on May 24, 2024. Please refer to the relevant announcements of the Company dated March 8, 2024 and May 23, 2024 and the next day disclosure return of the Company dated May 24, 2024 for further details.

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Reporting Period.

## **INTERIM DIVIDEND**

The Board does not recommend the distribution of any interim dividend for the Reporting Period.

## **SUFFICIENCY OF PUBLIC FLOAT**

According to the information that is publicly available to the Company and within the knowledge of the Board, as at the date of this announcement, the Company has maintained the public float as required under Listing Rules and as modified by the waiver granted by the Stock Exchange upon its listing on the Hong Kong Stock Exchange on December 13, 2018.

## **CORPORATE GOVERNANCE**

The Company is committed to ensuring that its affairs are conducted in accordance with high ethical standards. This reflects its belief that, in the achievement of its long-term objectives, it is imperative to act with probity, transparency and accountability. By so acting, the Company believes that Shareholder wealth will be maximized in the long term and that its employees, those with whom it does business and the communities in which it operates will all benefit. The Board is of the view that, the Company has complied with the relevant code provisions contained in the CG Code during the Reporting Period, save for deviation from code provision C.2.1 of the CG Code.

Pursuant to code provision C.2.1 of the CG Code, the responsibility between the chairman and chief executive officer should be segregated and should not be performed by the same individual. However, the Company does not have a separate chairman and chief executive officer and Dr. Ge Li currently performs these two roles. The Board considers that vesting the roles of chairman and chief executive officer in the same person is beneficial to the management of the Group. The balance of power and authority is ensured by the operation of the senior management and the Board, which comprises experienced individuals. The Board currently comprises five executive Directors (including Dr. Ge Li), two non-executive Directors and five independent non-executive Directors and therefore has a fairly strong independence element in its composition.

The Board will continue to review and monitor its code of corporate governance practices of the Company with an aim to maintaining a high standard of corporate governance.

## **DIRECTORS' SECURITIES TRANSACTIONS**

The Company has devised its own code of conduct regarding Directors' dealings in the Company's securities (the “**Code of Conduct**”) on terms no less exacting than the Model Code as set out in Appendix C3 to the Listing Rules.

Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Model Code and the Code of Conduct throughout the Reporting Period.

The Company has also established written guidelines (the “**Employees Written Guidelines**”) no less exacting than the Model Code for securities transactions by employees who are likely to be in possession of unpublished price-sensitive information of the Company. No incident of non-compliance of the Employees Written Guidelines by the employees was noted by the Company.

## **REVIEW OF FINANCIAL STATEMENTS**

### **Audit Committee**

As at June 30, 2024, the Audit Committee of the Company comprises three independent non-executive Directors, namely Ms. Christine Shaohua Lu-Wong, Dr. Wei Yu and Dr. Xin Zhang. The chairperson of the Audit Committee is Ms. Christine Shaohua Lu-Wong. The Audit Committee has reviewed with management and external auditor the unaudited condensed consolidated financial information of the Group for the Reporting Period, including accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters.

### **Scope of work of Messrs. Deloitte Touche Tohmatsu**

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.

## **PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT**

This announcement is published on the website of the Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website ([www.wuxiapptec.com.cn](http://www.wuxiapptec.com.cn)). The interim report of the Company for the Reporting Period will be despatched to the Shareholders and published on the aforesaid websites in due course.

The Board is pleased to announce that the unaudited condensed consolidated interim results of the Group for the six months ended June 30, 2024 with the comparative figures in the corresponding period in 2023 are as follows:

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended June 30, 2024

		<b>Six months ended June 30,</b>	
		<b>2024</b>	<b>2023</b>
		<b>RMB'000</b>	<b>RMB'000</b>
	<i>Notes</i>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Revenue</b>	5	<b>17,240,918</b>	18,871,285
Cost of sales		<b>(10,540,028)</b>	(11,315,600)
<b>Gross profit</b>		<b>6,700,890</b>	7,555,685
Other income	6	<b>511,017</b>	439,801
Other gains and losses	7	<b>208,384</b>	1,061,153
Impairment losses under expected credit losses (“ECL”) model, net of reversal		<b>(82,127)</b>	(101,700)
Impairment losses of non-financial assets		—	(42,880)
Selling and marketing expenses		<b>(357,522)</b>	(353,474)
Administrative expenses		<b>(1,277,485)</b>	(1,326,482)
R&D expenses		<b>(636,309)</b>	(667,045)
<b>Operating profit</b>		<b>5,066,848</b>	6,565,058
Share of results of associates		<b>115,818</b>	(76,474)
Share of results of joint ventures		<b>(4,169)</b>	7,695
Finance costs	8	<b>(128,943)</b>	(101,066)
<b>Profit before tax</b>		<b>5,049,554</b>	6,395,213
Income tax expense	9	<b>(768,708)</b>	(1,038,317)
<b>Profit for the period</b>	10	<b>4,280,846</b>	5,356,896
<b>Profit for the period attributable to:</b>			
Owners of the Company		<b>4,239,822</b>	5,313,120
Non-controlling interests		<b>41,024</b>	43,776
		<b>4,280,846</b>	5,356,896
<b>Earnings per Share</b> (expressed in RMB per Share)			
— Basic	12	<b>1.46</b>	1.81
— Diluted	12	<b>1.45</b>	1.79



## CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

*For the six months ended June 30, 2024*

	<b>Six months ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
	<i>RMB'000</i>	<i>RMB'000</i>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Profit for the period</b>	<b>4,280,846</b>	5,356,896
<b>Other comprehensive income (expense) for the period</b>		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of financial statements of foreign operations	<b>267,522</b>	376,967
Fair value loss on hedging instrument designated in cash flow hedges	<b>(252,788)</b>	(890,635)
	<hr/>	<hr/>
<b>Other comprehensive income (expense) for the period, net of income tax</b>	<b>14,734</b>	(513,668)
	<hr/>	<hr/>
<b>Total comprehensive income for the period</b>	<b><u>4,295,580</u></b>	<b><u>4,843,228</u></b>
<b>Attributable to:</b>		
Owners of the Company	<b>4,256,926</b>	4,806,967
Non-controlling interests	<b>38,654</b>	36,261
	<hr/>	<hr/>
	<b><u>4,295,580</u></b>	<b><u>4,843,228</u></b>

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at June 30, 2024

		As at <b>June 30,</b> <b>2024</b> <i>RMB'000</i> <b>(Unaudited)</b>	As at December 31, 2023 <i>RMB'000</i> <b>(Audited)</b>
<b>Assets</b>			
<b>Non-current Assets</b>			
Property, plant and equipment		26,033,921	25,844,429
Right-of-use assets		2,358,122	2,348,338
Goodwill		1,841,158	1,820,873
Other intangible assets		876,645	906,676
Interests in associates		2,356,443	2,180,396
Interests in joint ventures		25,481	35,234
Deferred tax assets		489,518	366,691
Financial assets at fair value through profit or loss ("FVTPL")	13	8,939,253	8,626,009
Other non-current assets		117,735	105,755
Biological assets		1,097,914	1,012,478
<b>Total Non-current Assets</b>		<b>44,136,190</b>	<b>43,246,879</b>
<b>Current Assets</b>			
Inventories		3,291,610	2,886,094
Contract costs		878,331	695,583
Biological assets		1,061,993	1,154,553
Amounts due from related parties		57,695	86,702
Trade and other receivables	14	9,093,696	9,372,741
Contract assets	14	1,200,831	1,234,394
Income tax recoverable		4,888	17,526
Financial assets at FVTPL	13	—	11,003
Derivative financial instruments	16	—	414,035
Other current assets		—	785,780
Pledged bank deposits		1,603	1,610
Term deposits with initial term of over three months		4,970,976	3,761,410
Bank balances and cash		9,699,515	10,001,039
<b>Total Current Assets</b>		<b>30,261,138</b>	<b>30,422,470</b>
<b>Total Assets</b>		<b>74,397,328</b>	<b>73,669,349</b>

		<b>As at June 30, 2024 RMB'000 (Unaudited)</b>	<b>As at December 31, 2023 RMB'000 (Audited)</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	15	6,777,385	7,333,527
Amounts due to related parties		14,315	11,547
Derivative financial instruments	16	659,741	501,871
Contract liabilities		2,522,712	1,955,363
Bank borrowings		2,919,266	3,721,645
Lease liabilities		234,705	240,452
Income tax payables		520,251	991,891
<b>Total Current Liabilities</b>		<b>13,648,375</b>	<b>14,756,296</b>
<b>Non-current Liabilities</b>			
Bank borrowings		2,892,344	687,017
Deferred tax liabilities		596,899	530,107
Deferred income		1,045,104	1,079,932
Lease liabilities		1,119,845	1,098,552
<b>Total Non-current Liabilities</b>		<b>5,654,192</b>	<b>3,395,608</b>
<b>Total Liabilities</b>		<b>19,302,567</b>	<b>18,151,904</b>
<b>Capital and Reserves</b>			
Share capital	17	2,911,927	2,968,845
Reserves		51,802,010	52,153,609
Equity attributable to owners of the Company		54,713,937	55,122,454
Non-controlling interests		380,824	394,991
<b>Total Equity</b>		<b>55,094,761</b>	<b>55,517,445</b>
<b>Total Equity and Liabilities</b>		<b>74,397,328</b>	<b>73,669,349</b>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

*For the six months ended June 30, 2024*

## 1. GENERAL INFORMATION

WuXi AppTec Co., Ltd. (the “**Company**”) was incorporated in the PRC on March 1, 2017 as a joint stock limited liability company under the PRC laws upon the conversion of 無錫藥明康德新藥開發有限公司 WuXi AppTec Ltd. (formerly known as 無錫藥明康德組合化學有限公司 WuXi PharmaTechs Co., Ltd.), a company with limited liability incorporated in the PRC in December 2000. The Company completed its initial public offering and listing of 104,198,556 ordinary shares of the Company (“**A Shares**”) (stock code: 603259.SH) in May 2018. The Company completed its public offering and listing of 116,474,200 ordinary shares of the Company (“**H Shares**”) (stock code: 2359.HK) in December 2018.

The address of the registered office of the Company is Mashan No. 5 Bridge, Binhu District, Wuxi, Jiangsu Province, the PRC and the principal place of business of the Company is 288 Fute Zhong Road, Waigaoqiao Free Trade Zone, Shanghai, the PRC. The de facto controllers of the Company are Dr. Ge Li, Mr. Zhaohui Zhang and Mr. Xiaozhong Liu.

The principal activity of the Company and its subsidiaries (collectively referred to as “**Group**”) is to provide a portfolio of research and manufacturing services throughout the discovery, development and manufacturing spectrum for small molecule drugs, advanced therapies, development of computer software and databases as well as consulting services for combinatorial chemistry and pharmaceuticals.

The functional currency of the Company is Renminbi (“**RMB**”), which is the same as the presentation currency of the condensed consolidated financial statements.

## 2. BASIS OF PREPARATION

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 (“**IASB**”) as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value and biological assets which are measured at fair value less costs to sell.

Other than additional/change in accounting policies resulting from application of amendments to International Financial Reporting Standards (“**IFRSs**”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended June 30, 2024 are the same as those presented in the Group’s annual financial statements for the year ended December 31, 2023.

## 3. APPLICATION OF AMENDMENTS TO IFRSs

In the current interim period, the Group has applied the following amendments to IFRSs issued by the IASB for the first time, which are mandatorily effective for the Group’s annual period beginning on or after January 1, 2024 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

The application of the amendments to IFRSs 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. OPERATING SEGMENT INFORMATION

The Group's revenue streams are categorized as follows:

WuXi Chemistry	Integrating the chemistry business-related resources and capabilities, including WuXi STA (“合全藥業”) and the Research Chemistry Services (“RCS”) business units to offer new drug Contract Research Development and Manufacturing Organization (“CRDMO”) services to customers.
WuXi Testing	Integrating the pre-clinical and clinical resources and capabilities, such as Lab Testing Division, WuXi Clinical (“康德弘翼”) (Clinical Development Services business) and MedKey (“藥明津石”) (Site Management Organization business) to serve global customers for pharmaceutical, medical device, and in vitro diagnostic sectors.
WuXi Biology	Integrating the technologies in DNA-encoded library (“DEL”), biology, oncology and immunology to provide global customers with integrated drug discovery and research services.
WuXi ATU	Capitalizing on global resources and capabilities to provide customers with integrated advanced therapies CTDMO services including process development, manufacturing and testing.
WuXi DDSU	Based on customers' needs, providing customers with integrated new drug R&D services with a focus on patent creation, empowering the product development of first-class small molecule new drugs for customers.
Others	Others mainly including the income streams from administrative services, sales of raw materials and sales of scrap materials.

## Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segments.

	Six months ended June 30, 2024 (Unaudited)						Total RMB'000
	WuXi Chemistry RMB'000	WuXi Testing RMB'000	WuXi Biology RMB'000	WuXi ATU RMB'000	WuXi DDSU RMB'000	Others RMB'000	
	Segment revenue	12,209,867	3,018,356	1,168,910	574,953	257,178	
Segment results	<u>5,243,846</u>	<u>1,052,906</u>	<u>420,499</u>	<u>(172,513)</u>	<u>150,109</u>	<u>6,043</u>	<u>6,700,890</u>
<b>Unallocated amount:</b>							
Other income							511,017
Other gains and losses							208,384
Impairment losses under ECL model, net of reversal							(82,127)
Selling and marketing expenses							(357,522)
Administrative expenses							(1,277,485)
R&D expenses							(636,309)
Share of results of associates							115,818
Share of results of joint ventures							(4,169)
Finance costs							<u>(128,943)</u>
Profit before tax							<u><u>5,049,554</u></u>



	Six months ended June 30, 2023 (Unaudited)						Total RMB'000
	WuXi Chemistry RMB'000	WuXi Testing RMB'000	WuXi Biology RMB'000	WuXi ATU RMB'000	WuXi DDSU RMB'000	Others RMB'000	
	Segment revenue	13,467,203	3,091,000	1,232,635	713,627	341,987	
Segment results	<u>5,906,602</u>	<u>1,118,601</u>	<u>483,040</u>	<u>(57,864)</u>	<u>95,907</u>	<u>9,399</u>	<u>7,555,685</u>
<b>Unallocated amount:</b>							
Other income							439,801
Other gains and losses							1,061,153
Impairment losses under ECL model, net of reversal							(101,700)
Impairment losses of non- financial assets							(42,880)
Selling and marketing expenses							(353,474)
Administrative expenses							(1,326,482)
R&D expenses							(667,045)
Share of results of associates							(76,474)
Share of results of joint ventures							7,695
Finance costs							<u>(101,066)</u>
Profit before tax							<u><u>6,395,213</u></u>

The chief operating decision maker (“**CODM**”) makes decisions according to operating results of each segment. No analysis of segment asset and liability is presented as the CODM does not regularly review such information for the purposes of resources allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

## Entity-wide disclosure

### *Geographical information*

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

	Six months ended June 30,	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Revenue		
— USA	10,711,857	12,355,501
— PRC	3,398,319	3,304,858
— Europe	2,216,607	2,104,139
— Rest of the world	914,135	1,106,787
	<u>17,240,918</u>	<u>18,871,285</u>

*Note:* Above geographical information is presented based on the country/region of domicile of customers' current parent company in case of multinational customers. Comparative disclosures have been represented to conform with the current period's presentation.

Information about the Group's non-current assets by geographical location is presented below:

	At	At
	June 30,	December 31,
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Audited)
— PRC	26,621,986	26,901,974
— Rest of the world	8,085,433	7,352,205
	<u>34,707,419</u>	<u>34,254,179</u>

Non-current assets excluding deferred tax assets and financial assets at FVTPL.

## 5. REVENUE

The Group derives its revenue from the transfer of goods and services over time and at a point in time in the following major service lines. This is consistent with the revenue information that is disclosed for each reportable segment under IFRS 8 below.

An analysis of the Group's revenue is as follows:

	<b>Six months ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Revenue		
— WuXi Chemistry	<b>12,209,867</b>	13,467,203
— WuXi Testing	<b>3,018,356</b>	3,091,000
— WuXi Biology	<b>1,168,910</b>	1,232,635
— WuXi ATU	<b>574,953</b>	713,627
— WuXi DDSU	<b>257,178</b>	341,987
— Others	<b>11,654</b>	24,833
	<b><u>17,240,918</u></b>	<b><u>18,871,285</u></b>

### Timing of revenue recognition

	<b>Six months ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Over time		
— WuXi Chemistry	<b>2,725,019</b>	2,881,969
— WuXi Testing	<b>3,018,356</b>	3,091,000
— WuXi Biology	<b>1,168,910</b>	1,232,635
— WuXi ATU	<b>572,613</b>	710,967
— WuXi DDSU	<b>257,178</b>	341,987
— Others	<b>8,114</b>	18,529
At a point in time		
— WuXi Chemistry	<b>9,484,848</b>	10,585,234
— WuXi ATU	<b>2,340</b>	2,660
— Others	<b>3,540</b>	6,304
	<b><u>17,240,918</u></b>	<b><u>18,871,285</u></b>

## 6. OTHER INCOME

	<b>Six months ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Interest income	<b>316,478</b>	197,359
R&D grants and others related to		
— asset (i)	<b>63,905</b>	63,886
— income (ii)	<b>129,650</b>	162,122
Dividend income arising from financial assets at FVTPL	<b>984</b>	16,434
	<b><u>511,017</u></b>	<b><u>439,801</u></b>

*Notes:*

- (i) The Group has received certain R&D grants and others to invest in laboratory equipment. The grants and subsidies were recognised in profit or loss over the useful lives of the relevant assets.
- (ii) The R&D grants and others related to income have been received to compensate for the Group's R&D expenditures. Some of the grants related to income have future related costs expected to be incurred and require the Group to comply with conditions attached to the grants. These grants related to income are recognised in profit or loss when related costs are subsequently incurred and the Group receives acknowledge of compliance. Other grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the Reporting Period.

## 7. OTHER GAINS AND LOSSES

	<b>Six months ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Net foreign exchange gain	<b>430,588</b>	398,500
Gain on financial assets at FVTPL (realized)	<b>159,920</b>	372,567
Gain (loss) on financial assets at FVTPL (unrealized)	<b>41,276</b>	(46,474)
Gain on biological assets	<b>120,651</b>	311,620
Loss on disposal of plant and equipment and biological assets	<b>(24,316)</b>	(6,360)
Gain on financial liabilities at FVTPL	<b>—</b>	5,673
Loss on derivative financial instruments (realized)	<b>(250,173)</b>	—
(Loss) gain on derivative financial instruments (unrealized)	<b>(261,515)</b>	40,174
Others	<b>(8,047)</b>	(14,547)
	<b><u>208,384</u></b>	<b><u>1,061,153</u></b>

## 8. FINANCE COSTS

	<b>Six months ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Interest expense on borrowings	<b>119,300</b>	73,807
Interest expense on lease liabilities	<b>21,890</b>	27,620
Effective interest expense on Convertible Bonds	<b>—</b>	3,940
	<b><u>141,190</u></b>	<b><u>105,367</u></b>
Total borrowing cost	<b>141,190</b>	105,367
Less: amounts capitalised in the cost of qualifying assets	<b>(12,247)</b>	(4,301)
	<b><u>128,943</u></b>	<b><u>101,066</u></b>

## 9. INCOME TAX EXPENSE

	<b>Six months ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Current tax:		
— PRC	<b>763,042</b>	643,911
— Hong Kong	<b>38,781</b>	332,256
— USA	<b>1,657</b>	(3,804)
— Rest of world	<b>7,419</b>	4,396
	<u><b>810,899</b></u>	<u>976,759</u>
(Over) under provision in respect of prior years:		
— PRC	<b>(33,663)</b>	15,397
— Rest of world	<b>508</b>	(3,554)
	<u><b>(33,155)</b></u>	<u>11,843</u>
Deferred tax:		
— Current period	<b>(9,036)</b>	49,715
	<u><b>768,708</b></u>	<u>1,038,317</u>

## 10. PROFIT FOR THE PERIOD

Profit for the period has been arrived at after charging (crediting):

	<b>Six months ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Depreciation of property, plant and equipment	<b>1,177,904</b>	1,021,690
Depreciation of right-of-use assets	<b>137,603</b>	119,109
Amortization of other intangible assets and other non-current assets	<b>76,619</b>	70,424
Staff cost (including directors' emoluments):		
— Salaries and other benefits	<b>4,373,247</b>	4,883,655
— Retirement benefit scheme contributions	<b>643,491</b>	610,860
— Equity-settled share-based payments	<b>196,156</b>	396,759
— Cash-settled share-based payments	<b>—</b>	(5,673)
	<b>6,605,020</b>	7,096,824
Capitalized in inventories and contract costs	<b>(1,541,504)</b>	(1,734,712)
Capitalized in construction in progress	<b>(12,247)</b>	(4,301)
	<b>5,051,269</b>	5,357,811
Impairment losses (reversed) recognized on inventory included in cost of sales	<b>(10,433)</b>	12,617
Expense relating to short-term leases	<b>2,305</b>	1,938
Expense relating to leases of low-value assets that are not shown above as short-term leases	<b>3,126</b>	3,098
Auditor's remuneration	<b>4,776</b>	5,280

## 11. DIVIDENDS

On June 12, 2024, the 2023 Profit Distribution Plan of the Company was approved at the 2023 AGM. Pursuant to the 2023 Profit Distribution Plan, a final dividend of RMB9.8974 per 10 shares (inclusive of tax) (2022 Profit Distribution Plan: RMB8.9266 per 10 shares (inclusive of tax)) based on the record date for determining the shareholders' entitlement to 2023 Profit Distribution Plan was declared to both holders of A Shares and H Shares. The aggregated dividends amounted to RMB2,882,050,829.90 (six months ended June 30, 2023: RMB2,649,083,545.14), which was paid by the Company as at the date of this announcement.

The directors of the Company have determined that no dividend will be proposed or declared in respect of the current interim period (six months ended June 30, 2023: nil).



## 12. EARNINGS PER SHARE

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

	<b>Six months ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Earnings:</b>		
Profit attributable to owners of the Company	4,239,822	5,313,120
Less: Cash dividends attribute to the shareholders of restricted shares expected to be unlocked in the future	—	(149)
Earnings for the purpose of calculating basic earnings per share	<u>4,239,822</u>	<u>5,312,971</u>
Effect of dilutive potential ordinary shares:		
Add: Cash dividends attribute to the shareholders of restricted shares expected to be unlocked in the future	—	149
Effect of incentive schemes issued by a subsidiary	(167)	(508)
Effect of incentive schemes issued by an associate	(11,178)	—
Effect of the conversion of the Convertible Bonds	—	(36,337)
Earnings for the purpose of calculating diluted earnings per share	<u><u>4,228,477</u></u>	<u><u>5,276,275</u></u>
<b>Number of Shares ('000):</b>		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	<u>2,907,738</u>	<u>2,936,844</u>
Effect of dilutive potential ordinary shares:		
Effect of incentive schemes issued by the Company	5,618	8,893
Effect of the conversion of the Convertible Bonds	—	3,576
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	<u><u>2,913,356</u></u>	<u><u>2,949,313</u></u>

The earnings for the purpose of calculating diluted earnings per share for the six months ended June 30, 2024 has been adjusted on the effect of incentive schemes issued by a subsidiary and an associate (six months ended June 30, 2023: adjusted on the effect of incentive schemes issued by a subsidiary and the effect of the conversion of the Convertible Bonds).

The computation of diluted earnings per share for the six months ended June 30, 2024 is based on weighted average number of shares assumed to be in issue after taking into account the effect of incentive schemes issued by the Company (six months ended June 30, 2023: after taking into account the effect of incentive schemes and the conversion of the outstanding Convertible Bonds issued by the Company).

### 13. FINANCIAL ASSETS AT FVTPL

	At <b>June 30,</b> <b>2024</b> <i>RMB'000</i> (Unaudited)	At December 31, 2023 <i>RMB'000</i> (Audited)
<b>Current asset</b>		
Financial products	—	11,003
	<u>—</u>	<u>11,003</u>
<b>Non-current assets</b>		
Listed equity securities	340,152	483,868
Unlisted equity investments	6,866,923	6,600,451
Unlisted fund investments	1,732,178	1,541,690
	<u>8,939,253</u>	<u>8,626,009</u>

## 14. TRADE AND OTHER RECEIVABLES/CONTRACT ASSETS

### Trade and Other Receivables

	At <b>June 30,</b> <b>2024</b> <i>RMB'000</i> <b>(Unaudited)</b>	At December 31, 2023 <i>RMB'000</i> <b>(Audited)</b>
Trade receivables		
— third parties	<b>7,835,065</b>	8,197,486
Less: Allowance for credit losses	<b>(277,702)</b>	<b>(373,169)</b>
	<b>7,557,363</b>	7,824,317
Note receivable	<b>24,973</b>	20,197
Total trade and note receivable	<b>7,582,336</b>	7,844,514
Other receivables	<b>122,730</b>	122,431
Prepayments	<b>238,990</b>	243,663
Interest receivables	<b>121,580</b>	10,175
Prepaid expenses	<b>55,464</b>	29,521
Value added tax recoverable	<b>947,220</b>	1,096,507
Deposits	<b>25,376</b>	25,930
	<b>1,511,360</b>	1,528,227
Total trade and other receivables	<b>9,093,696</b>	9,372,741

The Group allows a credit period ranging from 30 to 90 days to its customers. The following is an aging analysis of trade receivables (net of allowance for credit losses) and note receivable presented based on the invoice dates, at the end of each reporting period:

	At <b>June 30,</b> <b>2024</b> <i>RMB'000</i> <b>(Unaudited)</b>	At December 31, 2023 <i>RMB'000</i> <b>(Audited)</b>
Within 180 days	<b>6,304,243</b>	6,742,842
181 days to 1 year	<b>472,066</b>	489,381
1 year to 2 years	<b>551,013</b>	477,383
More than 2 years	<b>255,014</b>	134,908
	<b><u>7,582,336</u></b>	<b><u>7,844,514</u></b>

#### **Contract Assets**

	At <b>June 30,</b> <b>2024</b> <i>RMB'000</i> <b>(Unaudited)</b>	At December 31, 2023 <i>RMB'000</i> <b>(Audited)</b>
Contract assets	<b>1,210,354</b>	1,244,817
Less: Allowance for credit losses	<b><u>(9,523)</u></b>	<b><u>(10,423)</u></b>
	<b><u>1,200,831</u></b>	<b><u>1,234,394</u></b>

The contract assets represent primarily amounts that the Group is entitled to receive from customers before the customer pays following the satisfaction of its performance obligations. During the period in which the services are performed, the Group first recognizes the work performed as a contract asset representing the consideration that the Group is entitled to receive for the services transferred to date, and the Group reclassifies the recognized contract asset to account receivable when it obtains the unconditional right to collect from the customer.

## 15. TRADE AND OTHER PAYABLES

	At <b>June 30,</b> <b>2024</b> <i>RMB'000</i> (Unaudited)	At December 31, 2023 <i>RMB'000</i> (Audited)
Trade payables	<b>1,966,503</b>	1,633,775
Salary and bonus payables	<b>1,285,670</b>	2,125,636
Payables for acquisition of plant and equipment	<b>1,984,576</b>	2,127,166
Accrued expenses	<b>669,351</b>	752,458
Dividend payable	<b>355,763</b>	—
Other taxes payable	<b>200,050</b>	381,850
Interest payable	<b>30,133</b>	22,293
Others	<b>285,339</b>	282,112
Considerations received from employees for subscribing restricted A shares of the Company under the WuXi AppTec A Share Incentive Plan	<u>—</u>	<u>8,237</u>
	<b><u>6,777,385</u></b>	<b><u>7,333,527</u></b>

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 age analysis of trade payables presented based on invoice date at the end of each reporting period:

	At <b>June 30,</b> <b>2024</b> <i>RMB'000</i> (Unaudited)	At December 31, 2023 <i>RMB'000</i> (Audited)
Within one year	<b>1,904,198</b>	1,569,471
1 year to 2 years	<b>35,332</b>	33,014
2 years to 3 years	<b>10,903</b>	18,465
More than 3 years	<b>16,070</b>	12,825
	<b><u>1,966,503</u></b>	<b><u>1,633,775</u></b>

## 16. DERIVATIVE FINANCIAL INSTRUMENTS

	At <b>June 30,</b> <b>2024</b> <i>RMB'000</i> (Unaudited)	At December 31, 2023 <i>RMB'000</i> (Audited)
<b>Current assets</b>		
<i>Derivatives under hedge accounting</i>		
Cash flow hedges		
— Foreign currency forward contracts	<u>—</u>	<u>414,035</u>
<b>Current liabilities</b>		
<i>Derivatives under hedge accounting</i>		
Cash flow hedges		
— Foreign currency forward contracts	<b>395,970</b>	501,871
<i>Other derivatives (not under hedge accounting)</i>		
Foreign currency forward contracts	<u>263,771</u>	<u>—</u>
	<u><b>659,741</b></u>	<u>501,871</u>

### Derivatives under hedge accounting

It is the policy of the Group to enter into forward foreign exchange contracts to manage its foreign exchange rate risk arising from anticipated future foreign currency transactions up to 12 months, in particular, the exchange rate between USD and RMB, which are designated into cash flow hedges.

	Average strike rate as at June 30, 2024	Notional value as at June 30, 2024 <i>USD'000</i>	Fair value liabilities as at June 30, 2024 <i>RMB'000</i>
<b>Sell USD</b>			
Less than 3 months	7.1356	1,156,405	159,722
3 to 6 months	7.0240	1,100,070	213,915
7 to 12 months	7.0471	154,100	22,333

	<b>Period ended June 30, 2024</b>		
	<b>Fair value change of derivative financial instruments recognised in other comprehensive income RMB'000</b>	<b>Reclassification from other comprehensive income into profit or loss RMB'000</b>	<b>Profit or loss item</b>
<b>Cash flow hedges</b>			
Anticipated future sales	(607,264)	304,524	Revenue
	<u>(607,264)</u>	<u>304,524</u>	

It is anticipated that the sales will take place within next 12 months at which time the amount recognised in other comprehensive income will be reclassified to profit or loss.

At the inception of above hedging relationships, the Group formally designates and documents the hedge relationship, risk management objective and strategy for undertaking the hedge. The cash flow hedge mentioned above were assessed to be highly effective.

The ineffective part of the hedge mainly comes from basis risk, risk of change of supply and demand in spot markets and forward markets, and other uncertainty risk of spot markets and forward markets. The amount of the ineffective part of the hedge in the Reporting Period and the previous period is not significant.



## 17. SHARE CAPITAL

	<i>RMB'000</i>
Ordinary shares of RMB1.00 each At January 1, 2023	<u>2,960,527</u>
Conversion of Convertible Bonds	7,278
Issue of A shares under the 2019 WuXi AppTec A Share Incentive Scheme	979
Repurchase and cancellation of restricted A shares	<u>(662)</u>
At June 30, 2023 (Unaudited)	2,968,122
Issue of A shares under the 2019 WuXi AppTec A Share Incentive Scheme	747
Repurchase and cancellation of restricted A shares	<u>(24)</u>
At December 31, 2023 (Audited)	<u><u>2,968,845</u></u>
Ordinary shares of RMB1.00 each At January 1, 2024	<u>2,968,845</u>
Issue of A shares under the 2019 WuXi AppTec A Share Incentive Scheme	419
Cancellation of ordinary H shares	(15,468)
Repurchase and cancellation of ordinary A shares	<u>(41,869)</u>
At June 30, 2024 (Unaudited)	<u><u>2,911,927</u></u>

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“2019 A Share Incentive Plan”	the Restricted A Shares and Stock Option Incentive Plan of 2019 adopted by the Company on September 20, 2019
“2019 Adjusted Initial Grant”	the adjusted initial grant of Restricted A Shares and Share Options pursuant to the 2019 A Share Incentive Plan
“2019 Reserved Grant”	the grant of reserved interests subsequent to the initial grant under the 2019 A Share Incentive Plan
“2019 Special Grant”	the special grant of the 2019 A Share Incentive Plan
“2022 Award”	an award granted by the Board to a 2022 Selected Participant, which may vest in the form of 2022 Award Shares or the actual selling price of the 2022 Award Shares in cash, as the Board may determine in accordance with the terms of the 2022 Scheme Rules
“2022 H Share Award and Trust Scheme” or “2022 Scheme”	the 2022 H Share award and trust scheme adopted by the Company in accordance with the 2022 Scheme Rules
“2022 Independent Selected Participants”	2022 Selected Participants who are not connected persons of the Group
“2022 Profit Distribution”	the proposed distribution of cash dividend of RMB8.9266 for every 10 Shares (inclusive of tax) under the 2022 Profit Distribution Plan
“2022 Profit Distribution Plan”	the profit distribution plan of the Company for the year ended December 31, 2022 which includes the 2022 Profit Distribution
“2022 Scheme Rules”	the rules of the 2022 Scheme (as amended from time to time)
“2022 Selected Participant(s)”	any eligible employee who is approved for participation in the 2022 Scheme and has been granted any 2022 Award in accordance with the 2022 Scheme Rules

“2023 AGM”	the annual general meeting of the Company held on June 12, 2024
“2023 H Share Award and Trust Scheme” or “2023 Scheme”	the 2023 H Share award and trust scheme adopted by the Company in accordance with the 2023 Scheme Rules on May 31, 2023 and which was subsequently terminated on October 30, 2023
“2023 Profit Distribution”	the proposed distribution of cash dividend of RMB9.8974 for every 10 Shares (inclusive of tax) under the 2023 Profit Distribution Plan
“2023 Profit Distribution Plan”	the profit distribution plan of the Company for the year ended December 31, 2023 which includes the 2023 Profit Distribution
“2023 Scheme Rules”	the rules of the 2023 Scheme (as amended from time to time)
“2024 EGM”	the first extraordinary general meeting of the Company in 2024, held on January 5, 2024
“2024 First A Share Class Meeting”	the first A Share class meeting of the Company in 2024, held on January 5, 2024
“2024 First H Share Class Meeting”	the first H Share class meeting of the Company in 2024, held on January 5, 2024
“2024 H Share award and Trust Scheme” or “2024 Scheme”	the 2024 H Share award and trust scheme adopted by the Company in accordance with the 2024 Scheme Rules
“2024 Scheme Rules”	the rules of the 2024 Scheme (as amended from time to time)
“A Share(s)”	domestic shares of our Company, with a nominal value of RMB1.00 each, which are listed for trading on the Shanghai Stock Exchange and traded in RMB
“A Shareholders”	holder(s) of A Shares
“Articles of Association”	the articles of association of the Company (as amended from time to time)

“Audit Committee”	the audit committee of the Board
“Award”	an award granted by the Board to a Selected Participant, which may vest in the form of Award Shares or the actual selling price of the Award Shares in cash, as the Board may determine in accordance with the terms of the Scheme Rules
“Award Shares”	the H Shares granted to a Selected Participant in an Award
“BLA”	biologics license application
“Board”	our board of Directors
“CAGR”	compound annual growth rate
“CDE”	Centre for Drug Evaluation
“CDMO”	Contract Development and Manufacturing Organization, a CMO that in addition to comprehensive drug manufacturing services, also provide process development and other drug development services in connection with its manufacturing services
“CG Code”	the “Corporate Governance Code” as contained in Appendix C1 to the Listing Rules
“China” or “PRC”	the People’s Republic of China, which for the purpose of this interim results announcement and for geographical reference only, excludes Hong Kong, Macau and Taiwan
“Company”, “our Company”, “WuXi AppTec”, “Group”, “our Group”, “We” “our”, “us”	WuXi AppTec Co., Ltd.* (無錫藥明康德新藥開發股份有限公司), a joint stock limited company incorporated under the laws of the PRC, the predecessor of which, WuXi AppTec Ltd. (無錫藥明康德新藥開發有限公司) (formerly known as WuXi PharmaTech Co., Ltd (無錫藥明康德組合化學有限公司)) was established under the laws of the PRC as an enterprise legal person in December 2000, the A Shares of which are listed on the Shanghai Stock Exchange (stock code: 603259) and the H shares of which are listed on the Hong Kong Stock Exchange (stock code: 02359) and if the context requires, includes its predecessor and subsidiaries

“Convertible Bonds”	USD300 million zero coupon convertible bonds due 2024 of the Company which were previously listed on the Stock Exchange (former name: WXAT B2409; form stock code: 6015) up to the closure of business on April 17, 2023
“COVID-19”	the novel coronavirus pneumonia
“CRDMO”	Contract Research, Development and Manufacturing Organization
“CRO”	Contract Research Organization
“CTDMO”	Contract Testing, Development and Manufacturing Organization
“Director(s)”	the director(s) of the Company or any one of them
“EBITDA”	earnings before interest, taxes, depreciation and amortization
“FDA”	Food and Drug Administration in the U.S.
“FVTPL”	fair value through profit or loss
“GLP”	good laboratory practice
“Group” or “our Group”	the Company and its subsidiaries
“H Share Registrar”	Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“H Share(s)”	overseas listed foreign shares in the share capital of our Company with nominal value of RMB1.00 each, which are listed on the Stock Exchange
“H Shareholders”	holder(s) of H Shares
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“IFRS”	International Financial Reporting Standards
“IND”	investigational new drug
“KOLs”	key opinion leaders

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
“LVV”	Lenti-viral Vector
“Model Code”	the “Model Code for Securities Transactions by Directors of Listed Issuers” as set out in Appendix C3 to the Listing Rules
“NMPA”	National Medical Products Administration of the PRC (國家藥品監督管理局)
“PROTAC”	Proteolysis Targeting Chimera
“R&D”	research and development
“Reporting Period”	the six months ended June 30, 2024
“Restricted A Shares”	the restricted A Shares granted by the Company under the 2019 A Share Incentive Plan
“RMB”	Renminbi, the lawful currency of the PRC
“Scheme Trustee”	the trustee appointed by the Company for the purpose of the trust to service the 2023 Scheme, Maples Trustee Services (Cayman) Limited, a company incorporated under the laws of Cayman Islands with registered address in Boundary Hall, Cricket Square, George Town, Grand Cayman, Cayman Islands, the entities the shares in which are held by the Trustee in its capacity as trustee of the trust to service the 2023 Scheme
“Second Share Repurchase”	Repurchase of 21,593,780 A Shares from the Shanghai Stock Exchange through bidding
“Share Options”	share options granted under the initial grant of the 2019 A Share Incentive Plan
“Share(s)”	ordinary shares in the capital of our Company with a nominal value of RMB1.00 each, comprising A Shares and H Shares
“Shareholder(s)”	holder(s) of Shares

“Share Repurchase”	Repurchase of 20,275,407 A Shares from the Shanghai Stock Exchange through bidding
“SMO”	Site Management Organization
“STA”	Shanghai SynTheAll Pharmaceutical Co., Ltd* (上海合全藥業股份有限公司)
“Stock Exchange” or “Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“TIL”	Tumor Infiltrating Lymphocyte
“U.S.”	the United States of America, its territories, its possession and all areas subject to its jurisdiction
“USD” or “US\$”	United States dollars, the lawful currency of the United States
“WuXi ATU”	CTDMO business of the Company
“WuXi Biology”	biology business of the Company
“WuXi Chemistry”	chemistry business of the Company
“WuXi DDSU”	domestic new drug discovery service unit of the Company
“WuXi Testing”	testing business of the Company
“YoY”	year-over-year
“%”	percentage

By order of the Board  
**WuXi AppTec Co., Ltd.\***  
**Dr. Ge Li**  
*Chairman*

Hong Kong, July 29, 2024

*As of the date of this announcement, the Board comprises Dr. Ge Li, Dr. Minzhang Chen, Mr. Edward Hu, Dr. Steve Qing Yang and Mr. Zhaohui Zhang as executive Directors, Mr. Xiaomeng Tong and Dr. Yibing Wu as non-executive Directors and Ms. Christine Shaohua Lu-Wong, Dr. Wei Yu, Dr. Xin Zhang, Ms. Zhiling Zhan and Mr. Dai Feng as independent non-executive Directors.*

\* *For identification purposes only*