BeiGene, Ltd.
百濟神州有限公司
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 06160)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2024

BeiGene, Ltd. together with its subsidiaries (the "Company" or "BeiGene" or "we" or "us"), hereby announces the consolidated results of the Company for the year ended December 31, 2024 (the "Reporting Period"), together with the comparative figures for the corresponding period in 2023, which have been prepared under U.S. generally accepted accounting principles (the "U.S. GAAP" or "GAAP") and reviewed by the audit committee (the "Audit Committee") of the Board of Directors (the "Board") of the Company.

FINANCIAL HIGHLIGHTS

- *Total revenues for the year ended December 31, 2024, increased by approximately US$1.4 billion or approximately 55.0% to approximately US$3.8 billion, as compared to the year ended December 31, 2023. Product revenue increased by approximately US$1.6 billion or approximately 72.6% to approximately US$3.8 billion, as compared to the year ended December 31, 2023.*

- *Total operating expenses for the year ended December 31, 2024, increased by approximately US$497.8 million or approximately 15.1% to approximately US$3,784.4 million, as compared to the year ended December 31, 2023.*

- *Net loss for the year ended December 31, 2024, decreased by approximately US$236.9 million or approximately 26.9% to approximately US$644.8 million, as compared to the year ended December 31, 2023.*

- *Basic and diluted loss per share for the year ended December 31, 2024, amounted to US$0.47, representing a decrease of 27.7% when compared with that of US$0.65 for the year ended December 31, 2023.*

CONSOLIDATED BALANCE SHEETS

	Note	As of December 31, 2024 US$'000	2023 US$'000
Assets			
Current assets:			
Cash and cash equivalents		2,627,410	3,171,800
Accounts receivable, net	6	676,278	358,027
Inventories, net	7	494,986	416,122
Prepaid expenses and other current assets	12	192,919	257,465
Total current assets		3,991,593	4,203,414
Non-current assets:			
Property, plant and equipment, net	9	1,578,423	1,324,154
Operating lease right-of-use assets	8	139,309	95,207
Intangible assets, net	10	51,095	57,138
Other non-current assets	12	160,490	125,362
Total non-current assets		1,929,317	1,601,861
Total assets		5,920,910	5,805,275
Liabilities and shareholders' equity			
Current liabilities:			
Accounts payable	13	404,997	315,111
Accrued expenses and other payables	12	803,713	693,731
Tax payable	11	25,930	22,951
Operating lease liabilities, current portion	8	17,576	21,950
Research and development cost share liability, current portion	3	111,154	68,004
Short-term debt	14	851,529	688,366
Total current liabilities		2,214,899	1,810,113

CONSOLIDATED BALANCE SHEETS (Continued)

	Note	As of December 31, 2024 US$'000	2023 US$'000
Non-current liabilities:			
Long-term debt	14	166,484	197,618
Operating lease liabilities, non-current portion	8	44,277	22,251
Deferred tax liabilities	11	42,007	16,494
Research and development cost share liability, non-current portion	3	54,286	170,662
Other long-term liabilities	12	66,735	50,810
Total non-current liabilities		373,789	457,835
Total liabilities		2,588,688	2,267,948
Commitments and contingencies	23		
Shareholders' equity:			
Ordinary shares, US$0.0001 par value per share; 9,500,000,000 shares authorized; 1,387,367,704 and 1,359,513,224 shares issued and outstanding as of December 31, 2024 and 2023, respectively		138	135
Additional paid-in capital		12,087,908	11,598,688
Accumulated other comprehensive loss	19	(148,988)	(99,446)
Accumulated deficit		(8,606,836)	(7,962,050)
Total shareholders' equity		3,332,222	3,537,327
Total liabilities and shareholders' equity		5,920,910	5,805,275

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF OPERATIONS

	Note	Year Ended December 31, 2024 US$'000	2023 US$'000
Revenues			
Product revenue, net	15	3,779,546	2,189,852
Collaboration revenue	3	30,695	268,927
Total revenues		3,810,241	2,458,779
Cost of sales – product		594,089	379,920
Gross profit		3,216,152	2,078,859
Operating expenses			
Research and development		1,953,295	1,778,594
Selling, general and administrative		1,831,056	1,508,001
Total operating expenses		3,784,351	3,286,595
Loss from operations		(568,199)	(1,207,736)
Interest income, net		47,836	74,009
Other (expense) income, net	5	(12,638)	307,891
Loss before income taxes		(533,001)	(825,836)
Income tax expense	11	111,785	55,872
Net loss		(644,786)	(881,708)
Net loss per share (in US$)	17	(0.47)	(0.65)
Weighted-average shares outstanding – basic and diluted	17	1,368,746,793	1,357,034,547
Net loss per American Depositary Share ("ADS") (in US$)		(6.12)	(8.45)
Weighted-average ADSs outstanding – basic and diluted		105,288,215	104,387,273

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

	Note	Year Ended December 31, 2024 US$'000	2023 US$'000
Net loss		(644,786)	(881,708)
Other comprehensive (loss) income, net of tax of nil:			
Foreign currency translation adjustments	19	(47,565)	(25,464)
Pension liability adjustments, net	22	(1,942)	(5,611)
Unrealized holding (loss) gain, net	19	(35)	9,046
Comprehensive loss		(694,328)	(903,737)

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Note	Year Ended December 31, 2024 US$'000	2023 US$'000
Cash flows from operating activities:			
Net loss		(644,786)	(881,708)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization expense		171,762	87,675
Share-based compensation expense	18	441,618	367,618
Acquired in-process research and development	3	60,000	46,800
Amortization of research and development cost share liability	3	(73,226)	(55,294)
Unrealized losses on long-term investments	5	24,022	16,221
Deferred income tax expense		25,983	689
Gain on BMS termination settlement		–	(362,917)
Other items, net		11,163	(5,998)
Changes in operating assets and liabilities:			
Accounts receivable		(329,443)	(188,306)
Inventories		(91,496)	(140,948)
Other assets		45,126	12,120
Accounts payable		121,497	21,484
Accrued expenses and other payables		111,354	180,111
Deferred revenue		633	(255,587)
Other liabilities		(14,838)	587
Net cash used in operating activities		(140,631)	(1,157,453)
Cash flows from investing activities:			
Purchases of property, plant and equipment		(492,663)	(561,896)
Proceeds from sale or maturity of short-term investments		2,655	673,240
Purchase of in-process research and development		(31,800)	(15,000)
Purchase of intangible assets	10	(4,674)	(19,365)
Purchase of long-term investments	5	(19,006)	(14,900)
Other investing activities		(2,862)	(2,075)
Net cash (used in) provided by investing activities		(548,350)	60,004

CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)

	Note	Year Ended December 31, 2024 US$'000	2023 US$'000
Cash flows from financing activities:			
Proceeds from long-term loan	14	9,053	22,502
Repayment of long-term loan	14	(28,031)	(13,690)
Proceeds from short-term loans	14	868,270	661,530
Repayment of short-term loans	14	(704,216)	(309,576)
Proceeds from option exercises and employee share purchase plan		45,373	55,712
Other financing activities		3,000	–
Net cash provided by (used in) financing activities		193,449	416,478
Effect of foreign exchange rate changes, net		(51,705)	(8,082)
Net decrease in cash, cash equivalents, and restricted cash		(547,237)	(689,053)
Cash, cash equivalents, and restricted cash, beginning of year		3,185,984	3,875,037
Cash, cash equivalents, and restricted cash, end of year		2,638,747	3,185,984
Supplemental cash flow disclosures:			
Cash and cash equivalents		2,627,410	3,171,800
Short-term restricted cash		9,312	11,473
Long-term restricted cash		2,025	2,711
Income taxes paid		69,430	56,003
Interest paid		51,175	19,753
Supplemental non-cash activities:			
Accruals for capital expenditures		70,314	91,804
Purchase of in-process research and development included in accounts payable		60,000	31,800

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

	Ordinary Shares		Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total
	Shares	Amount US$'000	US$'000	US$'000	US$'000	US$'000
Balance at December 31, 2022	1,356,140,180	135	11,540,979	(77,417)	(7,080,342)	4,383,355
Issuance of shares reserved for share option exercises	84,227	–	–	–	–	–
Exercise of options, ESPP and release of RSUs	26,561,925	2	53,006	–	–	53,008
Cancellation of ordinary shares	(23,273,108)	(2)	(362,915)	–	–	(362,917)
Share-based compensation	–	–	367,618	–	–	367,618
Other comprehensive loss	–	–	–	(22,029)	–	(22,029)
Net loss	–	–	–	–	(881,708)	(881,708)
Balance at December 31, 2023	1,359,513,224	135	11,598,688	(99,446)	(7,962,050)	3,537,327
Use of shares reserved for share option exercises	(2,258,161)	–	–	–	–	–
Exercise of options, ESPP and release of RSUs	30,112,641	3	45,550	–	–	45,553
Deconsolidation of a subsidiary	–	–	2,052	–	–	2,052
Share-based compensation	–	–	441,618	–	–	441,618
Other comprehensive loss	–	–	–	(49,542)	–	(49,542)
Net loss	–	–	–	–	(644,786)	(644,786)
Balance at December 31, 2024	1,387,367,704	138	12,087,908	(148,988)	(8,606,836)	3,332,222

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Description of Business

BeiGene, Ltd. (the "Company", "BeiGene", "it", "its") is a leading global oncology company discovering and developing innovative treatments that are more accessible and affordable to cancer patients worldwide. In 2024, the Company generated total global revenue of approximately US$3.8 billion, increasing revenue by approximately US$1.4 billion from the prior year, while reducing its operating loss from the prior year by approximately US$0.6 billion.

Since its inception in 2010, the Company has become a fully integrated global organization with more than 11,000 employees worldwide.

As of December 31, 2024, the Company had the following principal subsidiaries:

Name of Company	Place of Incorporation	Particulars of issued/paid-in capital	Percentage of Ownership by the Company	Principal Activities and Place of Operation
BeiGene (Beijing) Co., Ltd. ("BeiGene Beijing")	PRC*	RMB2,722,787,023	100%	Medical and pharmaceutical research and development, PRC
BeiGene Guangzhou Biologics Manufacturing Co., Ltd. ("BeiGene Guangzhou Factory")	PRC*	RMB 15,913,108,600	100%	Medical and pharmaceutical research and development, manufacturing and commercialization, PRC
BeiGene (Shanghai) Co., Ltd. ("BeiGene Shanghai")	PRC*	RMB1,434,344,310	100%	Medical and pharmaceutical research and development, PRC
BeiGene (Suzhou) Co., Ltd. ("BeiGene Suzhou")	PRC*	RMB4,273,218,389	100%	Medical and pharmaceutical research and manufacturing and commercialization, PRC
BeiGene (Shanghai) Research & Development Co., Ltd.	PRC*	RMB620,000,000	100%	Medical and pharmaceutical research and development, PRC
BeiGene USA, Inc. ("BeiGene USA")	Delaware, United States	USD1	100%	Medical, pharmaceutical research and development and commercialization, U.S.
BeiGene AUS Pty Ltd ("BeiGene Australia")	Australia	USD56,947,230	100%	Medical, pharmaceutical research and development and commercialization, Australia
BeiGene Switzerland GmbH ("BeiGene Switzerland")	Switzerland	CHF20,000	100%	Medical, pharmaceutical research and development and commercialization, Switzerland
BeiGene Hopewell Urban Renewal, LLC	New Jersey, United States	USD683,693,128	100%	Medical and pharmaceutical research and development and manufacturing, U.S.

* Limited liability company established in PRC

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Company. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

2. Summary of Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

The consolidated financial statements of the Company have been prepared in accordance with U.S. GAAP. The consolidated financial statements include the financial statements of the Company and its subsidiaries. All significant intercompany transactions and balances between the Company and its wholly-owned subsidiaries are eliminated upon consolidation.

Use of Estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Areas where management uses subjective judgment include, but are not limited to, estimating the useful lives of long-lived assets, estimating variable consideration in product sales and collaboration revenue arrangements, identifying separate accounting units and the standalone selling price of each performance obligation in the Company's revenue arrangements, assessing the impairment of long-lived assets, valuation and recognition of share-based compensation expenses, estimating uncertain tax positions, valuation of inventory, estimating the allowance for credit losses, determining defined benefit pension plan obligations, measurement of right-of-use assets and lease liabilities and the fair value of financial instruments. Management bases the estimates on historical experience, known trends and various other assumptions that are believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results could differ from these estimates.

Recent Accounting Pronouncements

New accounting standards which have been adopted

In November 2023, the FASB issued Accounting Standards Update ("ASU") 2023-07, *Segment Reporting* (Topic 280): Improvements to Reportable Segment Disclosures. This update requires disclosure of incremental segment information on an annual and interim basis. This update is effective for annual periods beginning after December 15, 2023, and interim periods within annual periods beginning after December 15, 2024. Early adoption is permitted. This guidance should be applied retrospectively to all prior periods presented in the financial statements. The Company operates in one segment. Its chief operating decision maker is the Chief Executive Officer, who makes operating decisions, assesses performance, and allocates resources on a consolidated basis. The Company adopted ASU 2023-07 effective December 31, 2024. Refer to Footnote 24 for segment related disclosures.

New accounting standards which have not yet been adopted

In November 2024, the FASB issued ASU 2024-03, *Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures* (Subtopic 220-40): Disaggregation of Income Statement Expenses. This update requires that at each interim and annual reporting period public entities disclose (1) the amounts of purchases of inventory, employee compensation, depreciation, amortization, and depletion) in commonly presented expense captions; (2) certain amounts that are already required to be disclosed under current U.S. GAAP in the same disclosure as the other disaggregation requirements; (3) a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively; and (4) the total amount of selling expenses and, in annual reporting periods, the definition of selling expenses. In January 2025, the FASB issued ASU 2024-03, *Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures* (Subtopic 220-40): Clarifying the Effective Date. This update clarifies that ASU 2024-03 is effective for annual reporting periods beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027. Early adoption is permitted. The Company is currently evaluating the impact on its financial statements of adopting this guidance.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes* (Topic 740): Improvements to Income Tax Disclosures. This update requires that public entities on an annual basis, (1) in the rate reconciliation, disclose specific categories and provide additional information for reconciling items that meet a quantitative threshold; (2) about income taxes paid, disclose the amount of income taxes paid (net of refunds received) disaggregated by federal, state, and foreign taxes and by individual jurisdiction in which income taxes paid (net of refunds received) is equal to or greater than 5 percent of total income taxes paid (net of refunds received); and (3) disclose income (or loss) from continuing operations before income tax expense (or benefit) disaggregated between domestic and foreign and income tax expense (or benefit) disaggregated by federal, state, and foreign. This update is effective for annual periods beginning after December 15, 2024. Early adoption is permitted. This guidance should be applied on a prospective basis. Retrospective application is permitted. The Company is currently evaluating the impact on its financial statements of adopting this guidance.

3. Collaborative and Licensing Arrangements

The Company enters into collaborative arrangements for the research and development, manufacture and/or commercialization of drug products and drug candidates. To date, these collaborative arrangements have included out-licenses of and options to out-license internally developed products and drug candidates to other parties, in-licenses of products and drug candidates from other parties, and profit- and cost-sharing arrangements. These arrangements may include non-refundable upfront payments, contingent obligations for potential development, regulatory and commercial performance milestone payments, cost-sharing and reimbursement arrangements, royalty payments, and profit sharing.

Out-Licensing Arrangements

During the two years ended December 31, 2024, the Company's collaboration revenue related to its out-licensing collaborative agreements has consisted of research and development services revenue and right to access intellectual property revenue from its former collaboration agreements with Novartis for tislelizumab and ociperlimab. Other collaboration revenue consists primarily of revenue under the Novartis broad markets agreement and, beginning in 2024, royalty revenue under the Amgen collaboration agreement.

The following table summarizes total collaboration revenue recognized for the years ended December 31, 2024 and 2023:

Revenue from Collaborators	**Year Ended December 31, 2024 US$'000**	**2023 US$'000**
Research and development service revenue	–	79,431
Right to access intellectual property revenue	–	104,477
Material rights revenue	–	71,980
Other	30,695	13,039
Total	30,695	268,927

Novartis

Tislelizumab Collaboration and License

In January 2021, the Company entered into a collaboration and license agreement with Novartis, granting Novartis rights to develop, manufacture and commercialize tislelizumab in North America, Europe, and Japan (the "Novartis Territory"). The Company and Novartis agreed to jointly develop tislelizumab in these licensed countries, with Novartis responsible for regulatory submissions after a transition period and for commercialization upon regulatory approvals. In addition, both companies had the ability to conduct clinical trials globally to explore combinations of tislelizumab with other cancer treatments, and the Company has an option to co-detail the product in North America, funded in part by Novartis.

Under the agreement the Company received an upfront cash payment of US$650,000,000 from Novartis. A portion of the transaction price was allocated to the R&D services to be performed under the agreement and deferred and was being recognized as collaboration revenue as the R&D services were performed using a percentage-of-completion method.

In September 2023, the Company and Novartis agreed to mutually terminate the collaboration and license agreement, effective immediately. Pursuant to the termination agreement, the Company regained full, global rights to develop, manufacture and commercialize tislelizumab with no royalty payments due to Novartis. Novartis may continue its ongoing clinical trials and has the ability to conduct future combination trials with tislelizumab subject to BeiGene's approval. BeiGene agreed to provide Novartis with ongoing clinical supply of tislelizumab to support its clinical trials. Pursuant to the termination agreement, Novartis agreed to provide transition services to the Company to enable key aspects of the tislelizumab development and commercialization plan to proceed without disruption, including manufacturing, regulatory, safety and clinical support. Upon termination of the agreement in September 2023, there were no further performance obligations, and the remaining deferred revenue balance associated with the tislelizumab R&D services was recognized in full.

The following table summarizes collaboration revenue recognized in connection with the tislelizumab collaboration and license agreement for the years ended December 31, 2024 and 2023:

	Year Ended December 31,	
	2024	2023
	US$'000	US$'000
Research and development service revenue	–	72,278
Other [1]	2,113	5,067
Total	2,113	77,345

[1] Represents revenue recognized on sale of tislelizumab clinical supply to Novartis in conjunction with the collaboration.

Ociperlimab Option, Collaboration and License Agreement and China Broad Market Development Agreement

In December 2021, the Company expanded its collaboration with Novartis by entering into an option, collaboration and license agreement with Novartis to develop, manufacture and commercialize the Company's investigational TIGIT inhibitor ociperlimab in the Novartis Territory. In addition, the Company and Novartis entered into an agreement granting the Company rights to market, promote and detail five approved Novartis oncology products, TAFINLAR® (dabrafenib), MEKINIST® (trametinib), VOTRIENT® (pazopanib), AFINITOR® (everolimus), and ZYKADIA® (ceritinib), across designated regions of China referred to as "broad markets". In the first quarter of 2022, the Company initiated marketing and promotion of these five products.

Under the terms of the option, collaboration and license agreement, the Company received an upfront cash payment of US$300,000,000. At inception, a portion of the upfront cash payment was deferred related to performance obligations to be satisfied at a later point in time or over time.

In July 2023, the Company and Novartis mutually agreed to terminate the ociperlimab option, collaboration and license agreement, effective immediately. Pursuant to the termination agreement, the Company regained full, global rights to develop, manufacture and commercialize ociperlimab. Upon termination the Company had no further performance obligations under the collaboration, and all remaining deferred revenue balances were recognized in full. The China broad markets agreement remains in place.

The following table summarizes collaboration revenue recognized in connection with the ociperlimab option, collaboration and license agreement for the years ended December 31, 2024 and 2023:

	Year Ended December 31,	
	2024	2023
	US$'000	US$'000
Research and development service revenue	–	7,153
Right to access intellectual property revenue	–	104,477
Material rights revenue	–	71,980
Other [2]	18,259	8,859
Total	18,259	192,469

[2] Represents revenue generated under the broad markets marketing and promotion agreement in conjunction with the collaboration.

In-Licensing Arrangements – Commercial

Amgen

In October 2019, the Company entered into a global strategic oncology collaboration with Amgen ("Amgen Collaboration Agreement") for the commercialization and development in China, excluding Hong Kong, Taiwan and Macau, of Amgen's XGEVA®, KYPROLIS®, and BLINCYTO®, and the joint global development of a portfolio of oncology assets in Amgen's pipeline, with BeiGene responsible for development and commercialization in China. The agreement became effective on January 2, 2020, following approval by the Company's shareholders and satisfaction of other closing conditions.

Under the agreement, the Company is responsible for the commercialization of XGEVA, KYPROLIS and BLINCYTO in China for five or seven years. Amgen is responsible for manufacturing the products globally and supplying the products to the Company at an agreed upon price. The Company and Amgen share equally in the China commercial profits and losses during the commercialization period. Following the commercialization period, the Company has the right to retain one product and is entitled to receive royalties on sales in China for an additional five years on the products not retained.

Amgen and the Company are also jointly developing a portfolio of Amgen oncology pipeline assets under the collaboration. The Company is responsible for conducting clinical development activities in China and co-funding global development costs by contributing cash and development services up to a total cap of US$1,250,000,000. Amgen is responsible for all development, regulatory and commercial activities outside of China. For each pipeline asset that is approved in China, the Company will receive commercial rights for seven years from approval. The Company has the right to retain approximately one out of every three approved pipeline assets, other than LUMAKRAS (sotorasib) ("AMG 510"), Amgen's KRAS G12C inhibitor, for commercialization in China. The Company and Amgen will share equally in the China commercial profits and losses during the commercialization period. The Company is entitled to receive royalties from sales in China for pipeline assets returned to Amgen for five years after the seven-year commercialization period. The Company is also entitled to receive royalties from global sales of each product outside of China (with the exception of AMG 510).

On April 20, 2022, the parties entered into the First Amendment to Amgen Collaboration Agreement, which amends certain terms and conditions relating to the financial responsibilities of the parties in connections with the development and commercialization of certain Amgen proprietary products for the treatment of oncology-related diseases and conditions. In connection with the Company's ongoing assessment of the Amgen Collaboration Agreement cost-share contributions, the Company determined that further investment in the development of LUMAKRAS was no longer commercially viable for BeiGene. As a result, in February 2023, the Company and Amgen entered into the Second Amendment to the Amgen Collaboration Agreement to (i) stop sharing costs with Amgen for the further development of LUMAKRAS during the period starting January 1, 2023 and ending August 31, 2023; and (ii) cooperate in good faith to prepare a transition plan with the termination of LUMAKRAS from the Amgen Collaboration Agreement.

The Amgen Collaboration Agreement is within the scope of ASC 808, as both parties are active participants and are exposed to the risks and rewards dependent on the commercial success of the activities performed under the agreement. The Company is the principal for product sales to customers in China during the commercialization period and will recognize 100% of net product revenue on these sales. Amounts due to Amgen for its portion of net product sales will be recorded as cost of sales. Cost reimbursements due to or from Amgen under the profit share will be recognized as incurred and recorded to cost of sales; selling, general and administrative expense; or research and development expense, based on the underlying nature of the related activity subject to reimbursement. Costs incurred for the Company's portion of the global co-development funding are recorded to research and development expense as incurred.

In connection with the Amgen Collaboration Agreement, a Share Purchase Agreement ("Amgen SPA") was entered into by the parties on October 31, 2019. On January 2, 2020, the closing date of the transaction, Amgen purchased 15,895,001 of the Company's ADSs for US$174.85 per ADS, representing a 20.5% ownership stake in the Company. Per the Amgen SPA, the cash proceeds shall be used as necessary to fund the Company's development obligations under the Amgen Collaboration Agreement. Pursuant to the Amgen SPA, Amgen also received the right to designate one member of the Company's Board, and Anthony Hooper joined the Company's Board as the Amgen designee in January 2020. Amgen relinquished its right to appoint a designated director to the Company's board of directors in January 2023.

In determining the fair value of the common stock at closing, the Company considered the closing price of the common stock on the closing date of the transaction and included a lack of marketability discount because the shares are subject to certain restrictions. The fair value of the shares on the closing date was determined to be US$132.74 per ADS, or US$2,109,902,000 in the aggregate. The Company determined that the premium paid by Amgen on the share purchase represents a cost share liability due to the Company's co-development obligations. The fair value of the cost share liability on the closing date was determined to be US$601,857,000 based on the Company's discounted estimated future cash flows related to the pipeline assets. The estimation of future cash flows involved management assumptions of revenue growth rates and probability of technical and regulatory success of the pipeline assets. The total cash proceeds of US$2,779,241,000 were allocated based on the relative fair value method, with US$2,162,407,000 recorded to equity and US$616,834,000 recorded as a research and development cost share liability. The cost share liability is being amortized proportionately as the Company contributes cash and development services to its total co-development funding cap.

Amounts recorded related to the Company's portion of the co-development funding on the pipeline assets for the years ended December 31, 2024 and 2023 were as follows:

	Year Ended December 31,	
	2024	**2023**
	US$'000	**US$'000**
BeiGene's portion of the development funding	148,391	108,608
Less: Amortization of research and development cost share liability	73,226	55,294
Research and development expense	75,165	53,314

	As of December 31, 2024
	US$'000
Remaining portion of development funding cap	335,261

As of December 31, 2024 and 2023, the research and development cost share liability recorded in the Company's balance sheet was as follows:

	As of December 31,	
	2024	**2023**
	US$'000	**US$'000**
Research and development cost share liability, current portion	111,154	68,004
Research and development cost share liability, non-current portion	54,286	170,662
Total research and development cost share liability	165,440	238,666

The net reimbursement paid under the commercial profit-sharing agreement for in-line product sales is classified in the consolidated statements of operations for the two years ended December 31, 2024 as follows:

	Year Ended December 31,	
	2024	2023
	US$'000	US$'000
Cost of sales – product	37,150	8,358
Selling, general and administrative	(83,674)	(60,917)
Research and development	(2,438)	1,688
Total	(48,962)	(50,871)

The Company purchases commercial inventory from Amgen to distribute in China. Total inventory purchases amounted to US$247,655,000 and US$108,691,000, respectively, during the year ended December 31, 2024 and 2023. Net amounts payable to Amgen as of December 31, 2024 and 2023 were US$116,563,000 and US$55,474,000, respectively.

In-Licensing Arrangements – Development

The Company has in-licensed the rights to develop, manufacture and, if approved, commercialize multiple development stage drug candidates globally or in specific territories. These arrangements typically include non-refundable upfront payments, contingent obligations for potential development, regulatory and commercial performance milestone payments, cost-sharing arrangements, royalty payments, and profit sharing.

Upfront and milestone payments made under these arrangements for the years ended December 31, 2024 and 2023 are set forth below. All upfront and development milestones were expensed to research and development expense. All regulatory and commercial milestones were capitalized as intangible assets and are being amortized over the remainder of the respective product patent or the term of the commercialization agreements.

		Year Ended December 31,	
		2024	2023
Payments due to collaboration partners	**Classification**	**US$'000**	**US$'000**
Upfront payments	Research and development expense	60,027	46,800
Development milestone payments	Research and development expense	54,000	–
Regulatory and commercial milestone payments	Intangible asset	–	24,365
Total		114,027	71,165

The Company has entered into a number of in-licensing collaborative arrangements during the years ended December 31, 2024 and 2023. A summary of amounts incurred under these arrangements is included above. The Company may be required to pay additional amounts upon the achievement of various development and commercial milestones under these agreements. The Company may also incur significant research and development costs if the related product candidate were to advance to late-stage clinical trials. In addition, if any products related to these collaborations are approved for sale, the Company may be required to pay significant milestones upon approval and milestones and/or royalties on future sales. The payment of these amounts, however, is contingent upon the occurrence of various future events, which have a high degree of uncertainty of occurrence.

4. Restricted Cash

The Company's restricted cash primarily consist of RMB-denominated cash deposits held in designated bank accounts for collateral for letters of credit. The Company classifies restricted cash as current or non-current based on term of restriction. Restricted cash as of December 31, 2024 and 2023 was as follows:

	As of December 31,	
	2024	2023
	US$'000	US$'000
Short-term restricted cash	9,312	11,473
Long-term restricted cash	2,025	2,711
Total	11,337	14,184

In addition to the restricted cash balances above, the Company is required by the PRC securities law to use the proceeds from the STAR Offering in strict compliance with the planned uses as disclosed in the PRC offering prospectus as well as those disclosed in the Company's proceeds management policy approved by the Board of the Company. As of December 31, 2024, the Company had cash remaining related to the STAR Offering proceeds of US$588,235,000.

5. Investments

The following table summarizes the Company's investments in equity securities:

	As of December 31,	
	2024	2023
	US$'000	US$'000
Equity securities with readily determinable fair values [1]		
Fair value of Leap common stock	2,113	3,046
Fair value of Leap warrants	168	542
Equity securities without readily determinable fair values		
Pi Health, Inc. [2]	40,798	–
Other	48,157	55,860
Equity-method investments	33,081	25,981
Total	124,317	85,429

[1] Represents common stock and warrants to purchase additional shares of common stock of Leap. The Company measures the investment in the common stock and warrants at fair value, with changes in fair value recorded to other (expense) income, net.

[2] In the first quarter of 2024, the Company divested the net assets comprising substantially all of its Pi Health business with a carrying value of US$38,063,000. The consideration received for the divestiture consisted of preferred stock in a newly formed entity, Pi Health, Inc., with a fair value of US$40,798,000 and cash consideration of US$1,000,000. The transaction resulted in a pre-tax gain of US$3,735,000 recorded within other (expense) income, net during year ended December 31, 2024. The Company will account for its investment prospectively as a private equity security without a readily determinable fair value and the divestiture is not treated as a discontinued operation in the Statement of Operations and therefore the historical results of operations of the Pi Health business will remain in the Company's continuing operations.

The following table summarizes unrealized losses related to investments in equity securities recorded in other (expense) income, net:

	Year Ended December 31,	
	2024	2023
	US$'000	US$'000
Equity securities with readily determinable fair values	(1,307)	(425)
Equity securities without readily determinable fair values	(7,596)	(6,448)
Equity-method investments	(10,275)	(7,856)

6. Accounts receivable, net

	As of December 31,	
	2024	2023
	US$'000	US$'000
Accounts receivable	677,270	360,053
Less: Allowance for credit losses	(992)	(2,026)
Total	676,278	358,027

The Company's trading terms with its customers are mainly on credit and the credit periods generally range from 30 to 120 days. The Company seeks to maintain strict control over its outstanding receivables and overdue balances are regularly reviewed. The Company does not hold any collateral or other credit enhancements over its accounts receivable balances. Accounts receivable are non-interest-bearing. An aging analysis of the accounts receivable, based on the invoice date, is as follows:

	As of December 31,	
	2024	2023
	US$'000	US$'000
Within 6 months	674,633	356,243
6 months to 12 months	1,645	1,784
Total	676,278	358,027

Changes in the allowance for credit losses related to trade accounts receivable consist of the following:

	As of December 31,	
	2024	2023
	US$'000	US$'000
Beginning balance, as of January 1	2,026	211
(Reversal)/provision for expected credit losses	(1,034)	1,861
Written-off	(1)	(43)
Exchange rate changes	1	(3)
Ending balance, as of December 31	992	2,026

7. Inventories, Net

The Company's inventories, net consisted of the following:

	As of December 31,	
	2024	2023
	US$'000	US$'000
Raw materials	170,584	148,772
Work in process	60,118	39,098
Finished goods	264,284	228,252
Total inventories, net	494,986	416,122

8. Leases

The Company has operating leases for office and manufacturing facilities in the U.S., Switzerland, and China. The leases have remaining lease terms of up to six years, some of which include options to extend the leases that have not been included in the calculation of the Company's lease liabilities and ROU assets. The Company has land use rights, which represent land acquired for the biologics manufacturing facility in Guangzhou, the land acquired for the Company's research, development and office facility in Changping, Beijing, the land acquired for the Company's research, development and manufacturing facility in Suzhou, and the land acquired for the Company's research and development facility in Shanghai. The Company also has certain leases with terms of 12 months or less for certain equipment, office and lab space, which are expensed and not recorded on the balance sheet.

The components of lease expense were as follows:

	Year Ended December 31,	
	2024	2023
	US$'000	US$'000
Operating lease cost	26,575	25,978
Variable lease cost	4,580	6,101
Short-term lease cost	2,897	1,683
Total lease cost	34,052	33,762

Supplemental balance sheet information related to leases was as follows:

	As of December 31,	
	2024	2023
	US$'000	US$'000
Operating lease right-of-use assets	60,639	43,490
Land use rights, net	78,670	51,717
Total operating lease right-of-use assets	139,309	95,207
Current portion of operating lease liabilities	17,576	21,950
Operating lease liabilities, non-current portion	44,277	22,251
Total lease liabilities	61,853	44,201

Maturities of operating lease liabilities are as follows:

	Amounts US$'000
Year ending December 31, 2025	19,824
Year ending December 31, 2026	13,279
Year ending December 31, 2027	12,583
Year ending December 31, 2028	11,738
Year ending December 31, 2029	7,188
Thereafter	3,922
Total lease payments	68,534
Less: imputed interest	(6,681)
Present value of lease liabilities	61,853

Other supplemental information related to leases is summarized below:

	Year ended December 31,	
	2024 US$'000	2023 US$'000
Operating cash flows used in operating leases	56,005	27,985
ROU assets obtained in exchange for new operating lease liabilities	47,066	11,854

	As of December 31,	
	2024	2023
Weighted-average remaining lease term (years)	4	3
Weighted-average discount rate	5.23%	7.22%

9. Property, Plant and Equipment, Net

Property, plant and equipment, net are recorded at cost less accumulated depreciation and consisted of the following:

	As of December 31,	
	2024 US$'000	2023 US$'000
Land	65,485	65,485
Building	607,857	231,656
Manufacturing equipment	244,255	186,856
Laboratory equipment	240,885	205,349
Software, electronics and office equipment	100,348	83,281
Leasehold improvements	64,680	60,124
Property and equipment, at cost	1,323,510	832,751
Less: Accumulated depreciation	(399,105)	(249,212)
Construction in progress	654,018	740,615
Property, plant and equipment, net	1,578,423	1,324,154

The Company has made a significant investment in its newly opened manufacturing and R&D center in Hopewell, New Jersey. In the year ended December 31, 2024, US$272,670,000 of assets were placed into service. As of December 31, 2024, the Company had construction in progress of US$500,900,000 related to the Hopewell facility, the majority of which will be put into service in 2025.

In March 2024, the Company acquired a land use right and the facility currently being constructed on the land for US$73,054,000. The Company plans to complete the construction of the facility and build a research and development center on the land. Based on the relative fair values of the land use right and construction in progress, US$29,431,000 of the total purchase price was allocated to the land use right and US$43,623,000 was allocated to the construction in progress. In May 2024, the Company acquired additional construction in progress in connection with the properties for US$22,538,000.

Construction in progress ("CIP") as of December 31, 2024 and 2023 primarily related to the Hopewell facility, the new research and development facility acquired in 2024, a new building for Beijing Innerway Bio-tech Co., Ltd., and additional capacity at the Guangzhou and Suzhou manufacturing facilities. CIP by fixed asset class are summarized as follows:

	As of December 31,	
	2024	2023
	US$'000	US$'000
Building	528,629	579,649
Manufacturing equipment	89,897	119,380
Laboratory equipment	9,805	16,135
Other	25,687	25,451
Total	654,018	740,615

Depreciation expense for the years ended December 31, 2024 and 2023 were US$166,938,000 and US$80,436,000, respectively. Included within depreciation expense for the year ended December 31, 2024 is US$59,792,000 of accelerated depreciation expense resulting from the move of production to more efficient, larger scale equipment for tislelizumab.

10. Intangible Assets, net

Intangible assets as of December 31, 2024 and 2023 are summarized as follows:

	December 31, 2024			December 31, 2023		
	Gross carrying amount US$'000	Accumulated amortization US$'000	Intangible assets, net US$'000	Gross carrying amount US$'000	Accumulated amortization US$'000	Intangible assets, net US$'000
Finite-lived intangible assets:						
Developed products	62,889	(12,370)	50,519	64,274	(7,807)	56,467
Other	8,987	(8,411)	576	8,987	(8,316)	671
Total finite-lived intangible assets	71,876	(20,781)	51,095	73,261	(16,123)	57,138

Developed products represent post-approval milestone payments under license and commercialization agreements. The Company is amortizing the developed products over the remainder of the respective product patent or the term of the commercialization agreements.

Amortization expense for developed products is included in cost of sales-product in the accompanying consolidated statements of operations. Amortization expense for other intangible assets is included in selling, general and administrative expense in the accompanying consolidated statements of operations. The weighted-average life for each finite-lived intangible assets is approximately 11 years. Amortization expense is as follows:

	Year Ended December 31,	
	2024	2023
	US$'000	US$'000
Amortization expense – Cost of sales – product	4,729	3,739
Amortization expense – Selling, general and administrative	95	3,500
Total	4,824	7,239

Estimated amortization expense for each of the five succeeding years and thereafter, as of December 31, 2024 is as follows:

Year Ending December 31,	Cost of Sales – Product US$'000	Selling, General and Administrative Expense US$'000	Total US$'000
2025	4,682	67	4,749
2026	4,682	67	4,749
2027	4,682	67	4,749
2028	4,682	67	4,749
2029	4,682	67	4,749
2030 and thereafter	27,109	241	27,350
Total	50,519	576	51,095

11. Income Taxes

The components of income (loss) before income taxes are as follows:

	Year Ended December 31,	
	2024	2023
	US$'000	US$'000
U.S.	201,516	117,446
PRC	(263,159)	(315,852)
Other	(471,358)	(627,430)
Total	(533,001)	(825,836)

The current and deferred components of the income tax expense (benefit) from continuing operations are as follows:

	Year Ended December 31,	
	2024	2023
	US$'000	US$'000
Current tax expense (benefit)		
U.S.	57,222	25,170
PRC	12,331	24,956
Other	16,225	5,059
Total	85,778	55,185
Deferred tax expense (benefit)		
U.S.	23,556	–
PRC	180	687
Other	2,271	–
Total	26,007	687
Income tax expense (benefit)	111,785	55,872

The reconciliation of the statutory tax rate to our effective income tax rate is as follow:

	Year Ended December 31,	
	2024	2023
	US$'000	US$'000
Loss before tax	(533,001)	(825,836)
U.S. statutory tax rate	21%	21%
Expected taxation at U.S. statutory tax rate	(111,930)	(173,426)
Foreign and preferential tax rate differential	93,741	144,310
Non-deductible expenses	1,130	19,134
Stock compensation expenses	53,446	32,581
State tax benefit	(7,988)	(5,872)
Change in valuation allowance	157,286	845,811
Tax relief credits	–	(704,928)
Research tax credits and incentives	(43,602)	(64,343)
Deductible research expenses	(13,644)	–
Tax on unremitted earnings	23,743	–
Foreign-derived intangible income	(40,397)	(37,395)
Taxation for the year	111,785	55,872
Effective tax rate	(21.0)%	(6.8)%

Significant components of deferred tax assets (liabilities) are as follows:

	Year Ended December 31,	
	2024	2023
	US$'000	US$'000
Accruals and reserves	121,549	106,708
Net operating losses carryforward	1,137,890	996,588
Stock-based compensation	38,397	26,687
Research tax credits	34,561	68,117
Tax relief credits	704,928	704,928
Intangible asset amortization	1,081,442	699,974
Lease liability obligation	11,882	7,893
R&D and other capitalized costs	277,061	164,190
Total gross deferred tax assets	3,407,710	2,775,085
Less: valuation allowance	(3,403,505)	(2,771,470)
Net deferred tax assets	4,205	3,615
Property, plant and equipment, net	(10,795)	(12,374)
Tax on unremitted earnings	(23,735)	–
Right of use asset	(11,682)	(7,735)
Total gross deferred tax liabilities	(46,212)	(20,109)
Net deferred tax liabilities	(42,007)	(16,494)

Valuation allowances have been provided on deferred tax assets where, based on all available evidence, it was considered more likely than not that some portion or all of the recorded deferred tax assets will not be realized in future periods. After consideration of all positive and negative evidence, the Company believes that as of December 31, 2024, it is more likely than not that net deferred tax assets will not be realized. Adjustments may be required in the future if the Company estimates that the amount of deferred tax assets to be realized is more or less than the net amount recorded.

The valuation allowances for the years ended December 31, 2024 and 2023 were as follows:

	Year Ended December 31,	
	2024	2023
	US$'000	US$'000
Beginning balance, as of January 1	2,771,470	1,943,775
Additions charged to income tax provision	157,286	845,811
Additions charged to equity	497,823	–
Currency translation and other	(23,074)	(18,116)
Ending balance, as of December 31	3,403,505	2,771,470

As of December 31, 2024 and 2023, the Company had net operating losses of approximately US$6,720,659,000 and US$5,945,753,000, respectively. As of December 31, 2024, net operating losses were primarily comprised of: US$2,185,546,000 from entities in the PRC which expire in years 2025 through 2034; and US$4,526,020,000 derived from Switzerland which expires in years 2025 through 2031. The Company has approximately US$43,677,000 of U.S. research tax credits which will expire between 2036 and 2044 and approximately US$704,928,000 of Switzerland tax relief credits which will expire in 2028, if not utilized.

The gross unrecognized tax benefits for the years ended December 31, 2024 and 2023 were as follows:

	Year Ended December 31,	
	2024	2023
	US$'000	US$'000
Beginning balance, as of January 1	14,264	11,555
Additions based on tax positions related to the current tax year	2,975	2,709
Ending balance, as of December 31	17,239	14,264

Current and prior year additions include assessment of U.S. federal and state tax credits and incentives. As of December 31, 2024, the Company had US$17,239,000 of unrecognized tax benefits substantially all of which, if recognized, would reduce the effective tax rate. The Company does not anticipate that the amount of existing unrecognized tax benefits will significantly change within the next 12 months.

The Company has elected to record interest and penalties related to income taxes as a component of income tax expense. For the years ended December 31, 2024 and 2023, the Company's accrued interest and penalties, where applicable, related to uncertain tax positions were not material.

The Company conducts business in a number of tax jurisdictions and, as such, is required to file income tax returns in multiple jurisdictions globally. As of December 31, 2024, Australia tax matters are open to examination for the years 2013 through 2024, China tax matters are open to examination for the years 2014 through 2024, Switzerland tax matters are open to examination for the years 2021 through 2024, and U.S. federal tax matters are open to examination for years 2015 through 2024. Various U.S. states and other non-US tax jurisdictions in which the Company files tax returns remain open to examination for 2014 through 2024.

The Company qualifies for the Technology Advanced Service Enterprises and High and New Technology Enterprise status for certain subsidiaries in China, which begin to expire at the end of 2025. The income tax benefits attributable to this status for the year ended December 31, 2024 is approximately US$4,631,000, or less than US$0.01 per share outstanding.

During 2024, the Company concluded that a portion of earnings from certain subsidiaries, primarily in the U.S. and Canada, are no longer indefinitely reinvested. As a result, the Company recognized a deferred tax liability of US$23,735,000. The Company continues to assert that earnings in other jurisdictions remain permanently reinvested.

12. Supplemental Balance Sheet Information

Prepaid expenses and other current assets consist of the following:

	As of December 31,	
	2024	2023
	US$'000	US$'000
Prepaid research and development costs	64,277	60,476
Prepaid taxes	23,792	37,320
Other receivables	32,828	37,859
Prepaid general and administrative expenses	21,253	14,619
Prepaid manufacturing cost	19,333	42,066
Short-term restricted cash	9,312	11,473
Prepaid insurance	6,242	8,872
Other current assets	15,882	44,780
Total	192,919	257,465

Other non-current assets consist of the following:

	As of December 31,	
	2024	2023
	US$'000	US$'000
Long-term investments	128,933	89,644
Prepaid supply cost	12,249	18,122
Rental deposits and other	8,481	8,195
Prepayment of property and equipment	5,927	4,144
Prepaid VAT	2,875	2,546
Long-term restricted cash	2,025	2,711
Total	160,490	125,362

Accrued expenses and other payables consisted of the following:

	As of December 31,	
	2024	2023
	US$'000	US$'000
Compensation related	248,348	217,803
Sales rebates and returns related	235,600	139,936
External research and development activities related	154,269	162,969
Commercial activities	77,530	87,572
Accrued general and administrative expenses	31,106	36,203
Individual income tax and other taxes	34,904	30,083
Other	21,956	19,165
Total	803,713	693,731

Other long-term liabilities consist of the following:

	As of December 31,	
	2024	2023
	US$'000	US$'000
Deferred government grant income	30,324	34,204
Pension liability	16,405	14,995
Asset retirement obligation	3,794	1,127
Other	16,212	484
Total	66,735	50,810

13. Accounts payable

An aging analysis of the accounts payables as of December 31, 2024 and 2023, based on the invoice date, is as follows:

	As of December 31,	
	2024	2023
	US$'000	US$'000
Within 3 months	401,252	302,310
3 to 6 months	871	8,205
6 months to 1 year	2,615	4,551
Over 1 year	259	45
Total	404,997	315,111

The accounts payable are non-interest-bearing and repayable within the normal operating cycle or on demand.

14. Debt

The following table summarizes the Company's short-term and long-term debt obligations as of December 31, 2024 and 2023:

Lender	Borrower	Line of Credit US$'000/RMB'000	Term	Maturity Date	Interest Rate	As of December 31, 2024 US$'000	2024 RMB'000	2023 US$'000	2023 RMB'000
China Construction Bank	BeiGene Guangzhou Biologics Manufacturing Co., Ltd.	RMB580,000	9-year	June 11, 2027	1	16,440	120,000	14,089	100,000
China Merchants Bank	BeiGene Guangzhou Biologics Manufacturing Co., Ltd.	RMB350,000	9-year	January 20, 2029	2	8,611	62,857	8,856	62,857
China Merchants Bank	BeiGene Guangzhou Biologics Manufacturing Co., Ltd.	RMB378,000	9-year	November 8, 2029	3	8,148	59,475	5,636	40,000
China CITIC Bank	BeiGene (Suzhou) Co., Ltd.	RMB480,000	10-year	July 28, 2032	4	1,384	10,100	–	–
China Merchants Bank	BeiGene, Ltd.	US$380,000	1-year	5		380,000	2,773,723	300,000	2,129,321
China Minsheng Bank	BeiGene, Ltd.	US$150,000	1-year	December 16, 2025	6.8%	150,000	1,094,891	150,000	1,064,660
China Industrial Bank	BeiGene, Ltd.	RMB675,000	364-days	March 27, 2025	6	92,475	675,000	–	–
China Merchants Bank	BeiGene Guangzhou Biologics Manufacturing Co., Ltd.	RMB400,000	1-year	June 5, 2025	3.0%	54,800	400,000	56,356	400,000
HSBC Bank	BeiGene, Ltd.	RMB340,000	1-year	May 5, 2025	7	46,580	340,000	47,903	340,000
China Industrial Bank	BeiGene (Suzhou) Co., Ltd.	RMB200,000	1-year	May 29, 2024	2.8%	–	–	28,177	200,000
Shanghai Pudong Development Bank	BeiGene, Ltd.	RMB700,000	1-year	November 24, 2025	2.9%	93,091	679,492	49,312	350,000
China Merchants Bank	BeiGene (Suzhou) Co., Ltd.	RMB200,000	1-year	May 24, 2024	3.2%	–	–	28,037	199,000
Total short-term debt						851,529	6,215,538	688,366	4,885,838
China Construction Bank	BeiGene Guangzhou Biologics Manufacturing Co., Ltd.	RMB580,000	9-year	June 11, 2027	1	41,100	300,000	59,174	420,000
China Merchants Bank	BeiGene Guangzhou Biologics Manufacturing Co., Ltd.	RMB350,000	9-year	January 20, 2029	2	27,987	204,286	37,638	267,143
China Merchants Bank	BeiGene Guangzhou Biologics Manufacturing Co., Ltd.	RMB378,000	9-year	November 8, 2029	3	33,020	241,025	42,337	300,500
China CITIC Bank	BeiGene (Suzhou) Co., Ltd.	RMB480,000	10-year	July 28, 2032	4	64,377	469,900	58,469	415,000
Total long-term debt						166,484	1,215,211	197,618	1,402,643

1. The outstanding borrowings bear floating interest rates benchmarking RMB loan interest rates of financial institutions in the PRC. The loan interest rate was 4.2% as of December 31, 2024. The Company repaid US$13,739,000 (RMB100,000,000) during the year ended December 31, 2024. The loan is secured by BeiGene Guangzhou Biologics Manufacturing Co., Ltd.'s property ownership certificate and fixed assets.

2. The outstanding borrowings bear floating interest rates benchmarking RMB loan interest rates of financial institutions in the PRC. The loan interest rate was 3.7% as of December 31, 2024. The Company repaid US$8,730,000 (RMB62,857,000) during the year ended December 31, 2024. The loan is secured by Guangzhou Factory's second land use right and certain fixed assets.

3. The outstanding borrowings bear floating interest rates benchmarking RMB loan interest rates of financial institutions in the PRC. The loan interest rate was 3.8% as of December 31, 2024. The Company repaid US$5,562,000 (RMB40,000,000) during the year ended December 31, 2024. The loan is secured by fixed assets that will be placed into service upon completion of the third phase of the Guangzhou manufacturing facility's build out.

4. The outstanding borrowings bear a floating interest rate benchmarked against prevailing interest rates of certain PRC financial institutions. The loan interest rate was 3.7% as of December 31, 2024. The Company drew down US$9,053,000 (RMB65,000,000) during the year ended December 31, 2024. The loan is secured by BeiGene (Suzhou) Co., Ltd.'s property ownership certificate of the small molecule manufacturing campus in Suzhou, China.

5. The outstanding borrowings bear floating interest rates benchmarking the secured overnight financing rate. The loan interest rate was 6.2% as of December 31, 2024. US$80,000,000 of the borrowing matures on January 27, 2025, and US$300,000,000 matures on December 17, 2025.

6. The outstanding borrowings bear floating interest rates benchmarking RMB loan interest rates of financial institutions in the PRC. The loan interest rate was 2.6% as of December 31, 2024.

7. The outstanding borrowings bear floating interest rates benchmarking Hong Kong interbank market rate for RMB. The loan interest rate was 4.4% as of December 31, 2024.

The Company has numerous financial and non-financial covenants on its debt obligations with various banks and other lenders. Some of these covenants include default and/or cross-default provisions that could require acceleration of repayment of loans in the event of default. However, the Company's debt is primarily short-term in nature. Any acceleration would be a matter of months but may impact the Company's ability to refinance debt obligations if an event of default occurs. As of December 31, 2024, the Company is in compliance with all covenants of our material debt agreements.

Contractual Maturities of Debt Obligations

The aggregate contractual maturities of all borrowings due subsequent to December 31, 2024 are as follows:

Maturity dates	**Amounts US$'000**
Year ending December 31, 2025	851,529
Year ending December 31, 2026	46,207
Year ending December 31, 2027	46,207
Year ending December 31, 2028	25,657
Year ending December 31, 2029	19,657
Thereafter	28,756
Total	1,018,013

Interest Expense

Interest on bank loans is paid quarterly until the respective loans are fully settled. Interest expense recognized for the years ended December 31, 2024 and 2023 amounted to US$46,894,000 and US$20,800,000, respectively, among which, US$32,158,000 and US$16,571,000 was capitalized, respectively. Interest paid for the years ended December 31, 2024 and 2023, net of amounts capitalized, amounted to US$19,723,000 and US$3,484,000, respectively.

15. Product Revenue

The Company's product revenue is primarily derived from the sale of its internally developed products BRUKINSA and TEVIMBRA in the U.S., China, and other regions; XGEVA, BLINCYTO and KYPROLIS in China under a license from Amgen; REVLIMID® and VIDAZA® in China under a license from BMS; and POBEVCY® in China under a license from Bio-Thera.

The table below presents the Company's net product sales for the years ended December 31, 2024 and 2023.

	Year Ended December 31,	
	2024	**2023**
	US$'000	**US$'000**
Product revenue – gross	4,786,744	2,718,969
Less: Rebates and sales returns	(1,007,198)	(529,117)
Product revenue – net	3,779,546	2,189,852

The following table disaggregates net product revenue by product for the years ended December 31, 2024 and 2023.

	Year Ended December 31,	
	2024	**2023**
	US$'000	**US$'000**
BRUKINSA®	2,644,226	1,290,396
Tislelizumab	620,836	536,620
XGEVA®	224,403	92,828
BLINCYTO®	74,331	54,342
KYPROLIS®	66,171	39,799
POBEVCY®	53,509	56,547
REVLIMID®	36,028	76,018
Other	60,042	43,302
Total product revenue – net	3,779,546	2,189,852

The following table presents the roll-forward of accrued sales chargebacks, rebates, returns and other deductions for the years ended December 31, 2024 and 2023.

	Rebates, Returns and Other Deductions US$'000	Contra AR Accruals US$'000	Total US$'000
Balance at December 31, 2022	41,817	8,580	50,397
Amounts charged against product revenue	275,031	254,086	529,117
Payments and credits	(176,912)	(232,231)	(409,143)
Balance at December 31, 2023	139,936	30,435	170,371
Amounts charged against product revenue	491,756	515,442	1,007,198
Payments and credits	(396,092)	(495,178)	(891,270)
Balance at December 31, 2024	235,600	50,699	286,299

16. Loss before Income Tax Expense

The Company's loss before income tax expense is arrived at after charging/(crediting):

	Note	Year Ended December 31, 2024 US$'000	2023 US$'000
Cost of inventories sold		594,089	379,920
Depreciation of property, plant and equipment	9	166,938	80,436
Research and development costs (note)		1,953,295	1,778,594
Operating lease cost	8	26,575	25,978
Amortization of license rights	10	4,824	7,239
Employee benefit expense (including directors' and chief executive's remuneration):			
Wages, salaries and other benefits		1,305,147	1,120,403
Share-based compensation expenses	18	441,793	367,588
Pension scheme contributions (defined contribution scheme)		74,098	62,092
		1,821,038	1,550,083
Foreign exchange differences, net		15,986	64,760
Expected credit losses	6	(1,034)	1,861
Impairment of inventories		4,066	2,964
Bank interest income		(69,641)	(78,373)

Note:

During the year ended December 31, 2024 and 2023, research and development costs of approximately US$779,306,000 and US$699,289,000 were also included in employee benefit expense.

17. Loss Per Share

Loss per share was calculated as follows:

	Year Ended December 31,	
	2024	2023
	US$'000	US$'000
Numerator:		
Net loss	(644,786)	(881,708)
Denominator:		
Weighted average shares outstanding for computing basic and diluted loss per share	1,368,746,793	1,357,034,547
Loss per share (in US$)	(0.47)	(0.65)

For the years ended December 31, 2024 and 2023, the computation of basic loss per share using the two-class method was not applicable, as the Company was in a net loss position.

The effects of all share options and restricted share units were excluded from the calculation of diluted loss per share as their effect would have been anti-dilutive during the years ended December 31, 2024 and 2023.

18. Share-Based Compensation

2016 Share Option and Incentive Plan

In January 2016, in connection with its U.S. IPO, the Board and shareholders of the Company approved the 2016 Share Option and Incentive Plan (the "2016 Plan"), which became effective in February 2016. The Company initially reserved 65,029,595 ordinary shares for the issuance of awards under the 2016 Plan, plus any shares available under the 2011 Option Plan (the "2011 Plan"), and not subject to any outstanding options as of the effective date of the 2016 Plan, along with underlying share awards under the 2011 Plan that are cancelled or forfeited without issuance of ordinary shares. As of December 31, 2024, ordinary shares cancelled or forfeited under the 2011 Plan that were carried over to the 2016 Plan totaled 5,166,900. The 2016 Plan provided for an annual increase in the shares available for issuance, to be added on the first day of each fiscal year, beginning on January 1, 2017, equal to the lesser of (i) five percent (5%) of the outstanding shares of the Company's ordinary shares on the last day of the immediately preceding fiscal year or (ii) such number of shares determined by the Company's Board or the compensation committee. On January 1, 2018, 29,603,616 ordinary shares were added to the 2016 Plan under this provision. However, in August 2018, in connection with the Hong Kong IPO, the Board of the Company approved an amended and restated 2016 Plan to remove this "evergreen" provision and implement other changes required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "HK Listing Rules"). In December 2018, the shareholders of the Company approved a second amended and restated 2016 Plan to increase the number of shares authorized for issuance by 38,553,159 ordinary shares, as well as amend the cap on annual compensation to independent directors and make other changes. In June 2020, the shareholders approved an Amendment No. 1 to the 2016 Plan to increase the number of shares authorized for issuance by 57,200,000 ordinary shares and to extend the term of the plan through April 13, 2030. The number of shares available for issuance under the 2016 Plan is subject to adjustment in the event of a share split, share dividend or other change in the Company's capitalization.

As of December 31, 2024, share-based awards to acquire 83,064,175 ordinary shares were available for future grant under the 2016 Plan.

In order to continue to provide incentive opportunities under the 2016 Plan, the Board and shareholders of the Company approved an amendment to the 2016 Plan (the "Amendment No. 2"), which became effective as of June 22, 2022, to increase the number of authorized shares available for issuance under the 2016 Plan by 66,300,000 ordinary shares, or 5%, of the Company's outstanding shares as of March 31, 2022. In June 2024, the shareholders approved a third amended and restated 2016 Plan to increase the number of shares authorized for issuance by 92,820,000.

2018 Inducement Equity Plan

In June 2018, the Board of the Company approved the 2018 Inducement Equity Plan (the "2018 Plan") and reserved 12,000,000 ordinary shares to be used exclusively for grants of awards to individuals who were not previously employees of the Company or its subsidiaries, as a material inducement to the individual's entry into employment with the Company or its subsidiaries, within the meaning of Rule 5635(c)(4) of the NASDAQ Listing Rules. The 2018 Plan was approved by the Board of the Company upon recommendation of the compensation committee, without shareholder approval pursuant to Rule 5635(c)(4) of the NASDAQ Listing Rules. The terms and conditions of the 2018 Plan, and the forms of award agreements to be used thereunder, are substantially similar to the 2016 Plan and the forms of award agreements thereunder. In August 2018, in connection with the listing of the Company's ordinary shares on The Stock Exchange of Hong Kong Limited (the "HKEX"), the Board of the Company approved an amended and restated 2018 Plan to implement changes required by the HK Listing Rules.

Upon the effectiveness of Amendment No. 2 to the 2016 Plan, on June 22, 2022, the 2018 Plan was terminated to the effect that no new equity awards shall be granted under the plan but the outstanding equity awards under the plan shall continue to vest and/or be exercisable in accordance with their terms.

2018 Employee Share Purchase Plan

In June 2018, the shareholders of the Company approved the 2018 Employee Share Purchase Plan (the "ESPP"). Initially, 3,500,000 ordinary shares of the Company were reserved for issuance under the ESPP. In August 2018, in connection with the Hong Kong IPO, the Board of the Company approved an amended and restated ESPP to remove an "evergreen" share replenishment provision originally included in the plan and implement other changes required by the HK Listing Rules. In December 2018, the shareholders of the Company approved a second amended and restated ESPP to increase the number of shares authorized for issuance by 3,855,315 ordinary shares to 7,355,315 ordinary shares. In June 2024, the shareholders of the Company approved a fourth amended and restated ESPP to increase the number of shares authorized for issuance by 5,070,000 ordinary shares to 12,425,315 ordinary shares. The ESPP allows eligible employees to purchase the Company's ordinary shares (including in the form of ADSs) at the end of each offering period, which will generally be six months, at a 15% discount to the market price of the Company's ADSs at the beginning or the end of each offering period, whichever is lower, using funds deducted from their payroll during the offering period. Eligible employees are able to authorize payroll deductions of up to 10% of their eligible earnings, subject to applicable limitations.

The following tables summarizes the shares issued under the ESPP:

		Market Price[1]		**Purchase Price[2]**		
Issuance Date	**Number of Ordinary Shares Issued**	**ADS US$**	**Ordinary US$**	**ADS US$**	**Ordinary US$**	**Proceeds US$'000**
August 31, 2024	1,035,996	165.20	12.69	140.27	10.78	11,178
February 29, 2024	1,021,397	165.65	12.74	140.80	10.83	11,063
August 31, 2023	794,144	207.55	15.97	176.42	13.57	10,777
February 28, 2023	930,582	171.10	13.16	145.44	11.19	10,414
August 31, 2022	861,315	171.66	13.20	145.91	11.22	9,667
February 28, 2022	667,160	210.52	16.19	178.94	13.76	9,183

[1] The market price is the lower of the closing price on NASDAQ on the issuance date or the offering date, in accordance with the terms of the ESPP.

[2] The purchase price is the price which was discounted from the applicable market price, in accordance with the terms of the ESPP.

As of December 31, 2024, 4,953,682 ordinary shares were available for future issuance under the ESPP.

Share options

Generally, share options have a contractual term of 10 years and vest over a three – to five-year period, with the first tranche vesting one calendar year after the grant date or the service relationship start date and the remainder of the awards vesting on a monthly basis thereafter. Restricted shares and restricted share units generally vest over a four-year period, with the first tranche vesting one calendar year after the grant date or the service relationship start date and the remainder of the awards vesting on a yearly basis thereafter, or sometimes vest upon the achievement of pre-specified performance conditions.

The following table summarizes the Company's share option activities under the 2011, 2016 and 2018 Plans:

	Number of Options	Weighted Average Exercise Price US$	Weighted Average Grant Date Fair Value US$	Weighted Average Remaining Contractual Term Years	Aggregate Intrinsic Value US$'000
Outstanding at December 31, 2022	76,526,853	7.85			
Granted	9,817,925	16.37	8.14		
Exercised	(6,974,331)	4.54			92,051
Forfeited	(1,225,334)	17.60			
Outstanding at December 31, 2023	78,145,113	9.06			
Granted	9,180,301	12.53	6.62		
Exercised	(6,812,624)	3.87			69,946
Forfeited	(2,530,134)	15.87			
Outstanding at December 31, 2024	77,982,656	9.70		4.83	429,581
Exercisable as of December 31, 2024	60,173,280	8.42		3.7	406,868
Vested and expected to vest at December 31, 2024	75,311,250	9.55		4.7	426,174

As of December 31, 2024, the unrecognized compensation cost related to 15,137,970 unvested share options expected to vest was US$82,424,000. This unrecognized compensation will be recognized over an estimated weighted-average amortization period of 2.4 years.

The total fair value of employee share option awards vested during the years ended December 31, 2024 and 2023 was US$68,420,000 and US$61,121,000, respectively.

Fair value of options

The Company uses the binomial option-pricing model in determining the estimated fair value of the options granted. The model requires the input of highly subjective assumptions including the estimated expected stock price volatility and, the exercise multiple for which employees are likely to exercise share options. For expected volatilities, the trading history and observation period of the Company's own share price is used in conjunction with historical price volatilities of ordinary shares of several comparable companies in the same industry as the Company. For the exercise multiple, the Company was not able to develop an exercise pattern as reference, thus the exercise multiple is based on management's estimation, which the Company believes is representative of the future exercise pattern of the options. The risk-free rate for periods within the contractual life of the option is based on the U.S. Treasury Bills yield curve in effect at the time of grant.

The following table presents the range of fair values and the assumptions used to estimate those fair values of the share options granted in the years presented:

	Year Ended December 31,	
	2024	**2023**
Fair value of ordinary share	US$5.72 ~ US$9.19	US$7.26 ~ US$10.72
Risk-free interest rate	3.8% ~ 4.6%	3.4% ~ 4.6%
Expected exercise multiple	2.8	2.8
Expected volatility	57% ~ 58%	58% ~ 60%
Expected dividend yield	0%	0%
Contractual life	10 years	10 years

Restricted share units

The following table summarizes the Company's restricted share unit activities under the 2016 and 2018 Plans:

	Numbers of Shares	**Weighted-Average Grant Date Fair Value US$**
Outstanding at December 31, 2022	55,397,173	14.87
Granted	34,573,994	15.57
Vested	(17,862,598)	14.71
Forfeited	(5,707,546)	15.47
Outstanding at December 31, 2023	66,401,023	15.22
Granted	49,693,592	12.53
Vested	(21,251,477)	15.53
Forfeited	(9,012,471)	14.46
Outstanding at December 31, 2024	85,830,667	13.67
Expected to vest at December 31, 2024	72,956,067	13.67

As of December 31, 2024, the unrecognized compensation cost related to unvested restricted share units expected to vest was US$801,403,000. This unrecognized compensation will be recognized over an estimated weighted-average amortization period of 2.7 years.

Share-based compensation expense

The following table summarizes total share-based compensation cost recognized for the years ended December 31, 2024 and 2023:

	Year Ended December 31,	
	2024	**2023**
	US$'000	**US$'000**
Research and development	186,113	163,550
Selling, general and administrative	255,680	204,038
Total	441,793	367,588

19. Accumulated Other Comprehensive (Loss) Income

The movement of accumulated other comprehensive (loss) income was as follows:

	Foreign Currency Translation Adjustments US$'000	**Unrealized Gains/Losses on Available-for-Sale Securities US$'000**	**Pension Liability Adjustments US$'000**	**Total US$'000**
December 31, 2022	(62,523)	(9,011)	(5,883)	(77,417)
Other comprehensive income (loss) before reclassifications	(25,464)	9,046	(6,422)	(22,840)
Amounts reclassified from accumulated other comprehensive loss [1]	–	–	811	811
Net-current period other comprehensive (loss) income	(25,464)	9,046	(5,611)	(22,029)
December 31, 2023	(87,987)	35	(11,494)	(99,446)
Other comprehensive loss before reclassifications	(47,565)	(35)	(2,753)	(50,353)
Amounts reclassified from accumulated other comprehensive loss [1]	–	–	811	811
Net-current period other comprehensive loss	(47,565)	(35)	(1,942)	(49,542)
December 31, 2024	(135,552)	–	(13,436)	(148,988)

[1] The amounts reclassified from accumulated other comprehensive (loss) income were included in other (expense) income, net in the consolidated statements of operations.

20. Shareholders' Equity

During the years ended December 31, 2024 and 2023, the Company completed the following equity transactions:

BMS Settlement

On August 1, 2023, the Company entered into a Settlement and Termination Agreement (the "Settlement Agreement") with BMS-Celgene and certain of its affiliates relating to the termination of the parties' ongoing contractual relationships, the previously-disclosed ongoing arbitration proceeding concerning ABRAXANE® (the "Arbitration"), the License and Supply Agreement ("LSA"), the Amended and Restated Quality Agreement (the "QA"), and the Share Subscription Agreement (the "SSA"), entered into by the parties in 2017 and 2018. Pursuant to the Settlement Agreement, the parties agreed to mutually dismiss the Arbitration and BMS-Celgene and its affiliates agreed to transfer 23,273,108 ordinary shares of the Company originally purchased in 2017, in each case subject to and in accordance with the terms and conditions of the Settlement Agreement. In consideration for the shares being returned, the Company agreed to drop its claims pursuant to the Settlement Agreement. Furthermore, the parties agreed to terminate the LSA and QA on December 31, 2023, subject to the Company's right to continue selling all inventory of REVLIMID and VIDAZA until sold out or February 2025, whichever is earlier. The Settlement Agreement provides for a settlement and release by each party of claims arising from or relating to the Arbitration, the LSA, the QA and the SSA, as well as other disputes and potential disputes between the parties, in each case subject to and in accordance with the terms and conditions of the Agreement. The receipt of the shares occurred on August 15, 2023. The Company recorded a non-cash gain upon receipt of US$362,917,000, which represents the fair value on the day the shares were received. The gain was recorded within other (expense) income, net in the consolidated statements of operations. The shares were constructively retired during the year ended December 31, 2023. The Company recorded the amount of the cancelled shares in excess of par to additional paid-in capital.

21. Restricted Net Assets

The Company's ability to pay dividends may depend on the Company receiving distributions of funds from its PRC subsidiaries. Relevant PRC laws and regulations permit payments of dividends by the Company's PRC subsidiaries only out of its retained earnings, if any, as determined in accordance with PRC accounting standards and regulations. The results of operations reflected in the consolidated financial statements prepared in accordance with U.S. GAAP differ from those reflected in the statutory financial statements of the Company's PRC subsidiaries.

In accordance with the company law of the PRC, a domestic enterprise is required to provide statutory reserves of at least 10% of its annual after-tax profit until such reserve has reached 50% of its respective registered capital based on the enterprise's PRC statutory accounts. A domestic enterprise is also required to provide discretionary surplus reserve, at the discretion of the Board of the Company, from the profits determined in accordance with the enterprise's PRC statutory accounts. The aforementioned reserves can only be used for specific purposes and are not distributable as cash dividends. The Company's PRC subsidiaries were established as domestic invested enterprises and therefore were subject to the above-mentioned restrictions on distributable profits.

During the years ended December 31, 2024 and 2023, no appropriation to statutory reserves was made, because the PRC subsidiaries had an accumulated deficit as of the end of such periods.

As a result of these PRC laws and regulations, including the requirement to make annual appropriations of at least 10% of after-tax income and set aside as general reserve fund prior to payment of dividends, the Company's PRC subsidiaries are restricted in their ability to transfer a portion of their net assets to the Company.

Foreign exchange and other regulations in the PRC may further restrict the Company's PRC subsidiaries from transferring funds to the Company in the form of dividends, loans, and advances. As of December 31, 2024 and 2023, amounts restricted were the net assets of the Company's PRC subsidiaries, which, after intercompany eliminations, amounted to US$1,709,961,000 and US$2,114,277,000, respectively.

22. Employee Benefit Plans

Defined Contribution Plans

Full-time employees of the Company in the PRC participate in a government mandated defined contribution plan, pursuant to which certain pension benefits, medical care, employee housing fund and other welfare benefits are provided to employees. Chinese labor regulations require that the Company's PRC subsidiaries make contributions to the government for these benefits based on certain percentages of the employees' salaries. The Company has no legal obligation for the benefits beyond the contributions made. The total amounts for such employee benefits, which were expensed as incurred, were US$101,779,000 and US$94,358,000 for the years ended December 31, 2024 and 2023, respectively.

The Company maintains a defined contribution 401(k) savings plan (the "401(k) Plan") for U.S. employees. The 401(k) Plan covers all U.S. employees, and allows participants to defer a portion of their annual compensation on a pretax or Roth basis. In addition, the Company has a matching contribution to the 401(k) Plan, which, in the 2024 plan year, matched dollar for dollar of eligible contributions up to 6%. Company contributions to the 401(k) Plan totaled US$20,839,000 and US$15,316,000 in the years ended December 31, 2024 and 2023, respectively.

The Company maintains a government mandated program to cover its employees in Switzerland for pension, death, or disability. The program is considered a defined contribution plan. Employer and employee contributions are made based on various percentages of salaries and wages that vary based on employee age and other factors. Company contributions into the program amounted to US$3,825,000 and US$2,710,000 in the years ended December 31, 2024 and 2023, respectively.

Company contributions into defined contribution plans for the remaining subsidiaries were immaterial.

Defined Benefit Plan

The Company maintains a defined benefit pension plan covering its employees in Switzerland (the "Swiss Plan"). This plan is a government mandated fund that provides benefits to employees upon retirement, death, or disability. Contributions are made based on various percentages of participants' salaries and wages determined based on participants' age and other factors. As of December 31, 2024 and 2023, the projected benefit obligations under the Swiss Plan were approximately US$80,199,000 and US$70,600,000, respectively, and plan assets were approximately US$63,794,000 and US$55,605,000, respectively. The funded status of the Swiss Plan is included in other long-term liabilities in the accompanying consolidated balance sheets.

The Company's annual contribution to the Swiss Plan is estimated to be approximately US$3,922,000 in 2025 and is expected to evolve thereafter proportionally with changes in staffing and compensation levels, actuarial assumptions and actual investment returns on plan assets.

The following table reflects the total expected benefit payments to Swiss Plan participants in the following 10 years and have been estimated based on the same assumptions used to measure the Company's benefit obligations as of December 31, 2024:

	Amounts US$'000
Year ending December 31, 2025	692
Year ending December 31, 2026	604
Year ending December 31, 2027	994
Year ending December 31, 2028	593
Year ending December 31, 2029	1,922
Thereafter	8,657
Total	13,462

23. Commitments and Contingencies

Purchase Commitments

As of December 31, 2024, the Company had purchase commitments amounting to US$131,944,000, of which US$32,538,000 related to minimum purchase requirements for supply purchased from contract manufacturing organizations and US$99,406,000 related to binding purchase order obligations of inventory from Amgen. The Company does not have any minimum purchase requirements for inventory from Amgen.

Capital Commitments

The Company had capital commitments amounting to US$48,347,000 for the acquisition of property, plant and equipment as of December 31, 2024 related to various facilities across the globe.

Co-Development Funding Commitment

Under the Amgen Collaboration Agreement, the Company is responsible for co-funding global clinical development costs for the Amgen oncology pipeline assets up to a total cap of US$1,250,000,000. The Company is funding its portion of the co-development costs by contributing cash and/or development services. As of December 31, 2024, the Company's remaining co-development funding commitment was US$335,261,000.

Funding Commitment

The Company had committed capital related to two equity method investments in the amount of US$15,053,000. As of December 31, 2024, the remaining capital commitment was US$7,404,000 and is expected to be paid from time to time over the investment period.

Other Business Agreements

The Company enters into agreements in the ordinary course of business with contract research organizations ("CROs") to provide research and development services. These contracts are generally cancellable at any time by the Company with prior written notice.

The Company also enters into collaboration agreements with institutions and companies to license intellectual property. The Company may be obligated to make future development, regulatory and commercial milestone payments and royalty payments on future sales of specified products associated with its collaboration agreements. Payments under these agreements generally become due and payable upon achievement of such milestones or sales. These commitments are not recorded on the consolidated balance sheet because the achievement and timing of these milestones are not fixed and determinable. When the achievement of these milestones or sales have occurred, the corresponding amounts are recognized in the consolidated financial statements.

24. Segment and Geographic Information

Operating segments are defined as components of an enterprise for which separate financial information is available and evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The Company operates in one segment: pharmaceutical products. Its chief operating decision maker is the Chief Executive Officer, who makes operating decisions, assesses performance, and allocates resources on a consolidated basis.

The primary measure of segment profitability for the Company's operating segment is considered to be consolidated net loss. Significant segment expenses reviewed by the CODM on a regular basis included within net loss include cost of product sales, research and development expenses and selling, general and administrative expenses which are separately presented on the Company's Consolidated Statements of Operations. Other segment items within net loss include interest income, net, other (expense) income, net and income tax expense.

The Company's long-lived assets are primarily located in the U.S. and China.

Net product revenues by geographic area are based upon the location of the customer, and net collaboration revenue is recorded in the jurisdiction in which the related income is expected to be sourced from. Total net revenues by geographic area are presented as follows:

	Year Ended December 31,	
	2024	**2023**
	US$'000	**US$'000**
U.S. – total revenue	**1,957,498**	**1,128,219**
Product revenue	1,950,530	945,551
Collaboration revenue	6,968	182,668
China – total revenue	**1,411,307**	**1,101,951**
Product revenue	1,390,699	1,093,091
Collaboration revenue	20,608	8,860
Europe – total revenue	**362,626**	**202,014**
Product revenue	359,507	122,228
Collaboration revenue	3,119	79,786
Rest of world – total revenue	**78,810**	**26,595**
Product revenue	78,810	28,982
Collaboration revenue	–	(2,387)
Total Revenue	**3,810,241**	**2,458,779**

25. Reconciliation between U.S. GAAP and International Financial Reporting Standards

The consolidated financial statements are prepared in accordance with U.S. GAAP, which differ in certain respects from International Financial Reporting Standards ("IFRS"). The effects of material differences between the financial information of the Company prepared under U.S. GAAP and IFRS are as follows:

		Year ended December 31, 2024 IFRS adjustments		
Consolidated statement of operations data	**Amounts as reported under U.S. GAAP**	**Share-based compensation and related tax (note (i))**	**Lease (note (iii))**	**Amounts under IFRS**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Research and development	(1,953,295)	(21,357)	1,338	(1,973,314)
Selling, general and administrative	(1,831,056)	(17,535)	1,814	(1,846,777)
Interest income (expense), net	47,836	–	(2,677)	45,159
Loss before income tax expense	(533,001)	(38,892)	475	(571,418)
Income tax expense	(111,785)	(1,954)	–	(113,739)
Net loss	(644,786)	(40,846)	475	(685,157)

		Year ended December 31, 2023 IFRS adjustments		
Consolidated statement of operations data	**Amounts as reported under U.S. GAAP**	**Share-based compensation and related tax (note (i))**	**Lease (note (iii))**	**Amounts under IFRS**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Research and development	(1,778,594)	(31,745)	1,344	(1,808,995)
Selling, general and administrative	(1,508,001)	(21,942)	1,659	(1,528,284)
Interest income (expense), net	74,009	–	(3,082)	70,927
Loss before income tax expense	(825,836)	(53,687)	(79)	(879,602)
Income tax expense	(55,872)	(15,000)	–	(70,872)
Net loss	(881,708)	(68,687)	(79)	(950,474)

Consolidated balance sheet data	Amounts as reported under U.S. GAAP	Year ended December 31, 2024 IFRS adjustments: Share based compensation and related tax (note (i))	Preferred Shares (note (ii))	Lease (note (iii))	Amounts under IFRS
	US$'000	US$'000	US$'000	US$'000	US$'000
Operating lease right-of-use assets	139,309	–	–	(1,909)	137,400
Total assets	5,920,910	–	–	(1,909)	5,919,001
Additional paid-in capital	12,087,908	40,846 276,729*	– 307,894*	– –	12,713,377
Accumulated deficit	(8,606,836)	(40,846) (276,729)*	– (307,894)*	475 (2,384)*	(9,234,214)
Total equity	3,332,222	–	–	(1,909)	3,330,313

Consolidated balance sheet data	Amounts as reported under U.S. GAAP	Year ended December 31, 2023 IFRS adjustments: Share based compensation and related tax (note (i))	Preferred Shares (note (ii))	Lease (note (iii))	Amounts under IFRS
	US$'000	US$'000	US$'000	US$'000	US$'000
Operating lease right-of-use assets	95,207	–	–	(2,384)	92,823
Total assets	5,805,275	–	–	(2,384)	5,802,891
Additional paid-in capital	11,598,688	68,687 208,042*	– 307,894*	– –	12,183,311
Accumulated deficit	(7,962,050)	(68,687) (208,042)*	– (307,894)*	(79) (2,305)*	(8,549,057)
Total equity	3,537,327	–	–	(2,384)	3,534,943

* IFRS adjustments brought forward from prior years.

Notes:

(i) Share based compensation and related tax

Under U.S. GAAP, the Company has elected to recognize compensation expense using the straight-line method for all employee equity awards granted with graded vesting based on service conditions provided that the amount of compensation cost recognized at any date is at least equal to the portion of the grant date value of the options that are vested at that date.

Under IFRS, the accelerated method is required to recognize compensation expense for all employee equity awards granted with graded vesting.

A difference of US$38,892,000 arose between the amount of share-based compensation (included in research and development expenses, and selling, general and administrative expenses) recognized under U.S. GAAP and IFRS for the year ended December 31, 2024 (2023: US$53,687,000).

Under IFRS, the excess tax benefit resulting from the pre-tax deductible amount arising from U.S. employee share-based payments over the cumulative share-based payment-related expenses recognized for accounting purposes should be recorded in shareholders' equity rather than in current income tax expenses/benefits under U.S. GAAP.

(ii) Preferred Shares

Prior to the Company's U.S. IPO, the Company had Preferred Shares, which were converted into ordinary shares at the time of the U.S. IPO. Under U.S. GAAP, the Preferred Shares issued by the Company are classified as mezzanine equity as these convertible preferred shares are redeemable upon the occurrence of a conditional event (i.e., Liquidation Transaction). The holders of the Preferred Shares have a liquidation preference upon the occurrence of the conditional event. The conversion options and contingent redemption options of the convertible preferred shares do not qualify for bifurcation accounting because the conversion options are clearly and closely related to the host instrument and the underlying ordinary shares of the conversion options and redemption options are not publicly traded nor readily convertible into cash. No beneficial conversion features are recognized for the convertible preferred shares as the fair values per ordinary share at the respective commitment dates were less than the most favorable conversion prices. The Company concluded that the Preferred Shares are not redeemable currently and is not probable that the Preferred Shares will become redeemable because the likelihood of the Liquidation Transaction is remote. Therefore, no adjustment will be made to the initial carrying amount of the Preferred Shares until it is probable that they will become redeemable.

Under IFRS, the Preferred Shares were regarded as a hybrid instrument consisting of a host debt instrument and a conversion option as a derivative. This was the result of certain redemption triggering events of the Preferred Shares being outside the control of the ordinary shareholders of the Company. In addition, the holders of the Preferred Shares were entitled to convert the Preferred Shares into a variable number of the Company's ordinary shares upon occurrence of certain anti-dilution events. Under IFRS, the Company initially recorded all of the Preferred Shares as financial liabilities at fair value, with subsequent changes in the amount of the fair value of the Preferred Shares recognized in the statement of operations in the year in which they arose. Hence, all the fair value changes in the Preferred Shares of US$307,894,000 prior to the conversion into the Company's ordinary shares in February 2016 was recognized in the statement of operations under IFRS and the cumulative effect of such fair value changes was recognized in the additional paid in capital account upon the conversion of the Preferred Shares into the ordinary shares. The effect of such IFRS adjustments on accumulated deficit and additional paid in capital was US$307,894,000 which was all carried forward to opening balance sheets of subsequent financial years/periods.

(iii) Lease

As a lessee, the Company recognized a lease liability based on the present value of the total remaining lease payments, and a corresponding right of use asset under U.S. GAAP. The Company subsequently recognize an operating lease expense on straight line basis over the lease term.

IFRS 16, Lease requires entities to present interest expense on the lease liability and depreciation on the right-of-use assets separately in the statement of operations. This will change the allocation of expenses and the total amount of expenses recognized for each period of the lease term. The combination of a straight-line depreciation of the right-of-use asset and the effective interest rate method applied to the lease liability will result in a higher total charge to profit or loss in the initial years of the lease terms, and a decreasing expense during the latter years of the lease terms.

26. Statement of Financial Position and Reserves of the Company

	As of December 31,	
	2024	**2023**
	US$'000	**US$'000**
Assets		
Current assets:		
Cash and cash equivalents	400,135	723,964
Prepaid expenses and other current assets	249,016	785,471
Total current assets	649,151	1,509,435
Non-current assets:		
Loans to subsidiaries	1,731,266	2,030,249
Investment in wholly owned subsidiaries	2,081,335	1,207,352
Other non-current assets	114,728	69,361
Total assets	4,576,480	4,816,397
Liabilities and shareholders' equity		
Current liabilities:		
Accrued expenses and other payables	424,111	197,289
Indebtedness to subsidiaries	–	362,917
Short-term debt	762,146	547,215
Total current liabilities	1,186,257	1,107,421
Non-current Liability:		
Other long-term liabilities	58,000	171,649
Total liabilities	1,244,257	1,279,070
Total shareholders' equity	3,332,223	3,537,327
Total liabilities and shareholders' equity	4,576,480	4,816,397

A summary of the Company's reserves is as follows:

	Ordinary Shares		Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total
	Shares	Amount US$'000	US$'000	US$'000	US$'000	US$'000
Balance at December 31, 2022	1,356,140,180	135	11,540,979	(77,417)	(7,080,342)	4,383,355
Issuance of shares reserved for share option exercises	84,227	–	–	–	–	–
Exercise of options, ESPP and release of RSUs	26,561,925	2	53,006	–	–	53,008
Cancellation of ordinary shares	(23,273,108)	(2)	(362,915)	–	–	(362,917)
Share-based compensation	–	–	367,618	–	–	367,618
Other comprehensive loss	–	–	–	(22,029)	–	(22,029)
Net loss	–	–	–	–	(881,708)	(881,708)
Balance at December 31, 2023	1,359,513,224	135	11,598,688	(99,446)	(7,962,050)	3,537,327
Use of shares reserved for share option exercises	(2,258,161)	–	–	–	–	–
Exercise of options, ESPP and release of RSUs	30,112,641	3	45,550	–	–	45,553
Deconsolidation of a subsidiary	–	–	2,052	–	–	2,052
Share-based compensation	–	–	441,618	–	–	441,618
Other comprehensive loss	–	–	–	(49,542)	–	(49,542)
Net loss	–	–	–	–	(644,786)	(644,786)
Balance at December 31, 2024	1,387,367,704	138	12,087,908	(148,988)	(8,606,836)	3,332,222

The above statement of financial position of the Company have been prepared in accordance with U.S. GAAP, and in conformity with the disclosure requirements of the HK Listing Rules and the Hong Kong Companies Ordinance.

Certain comparative amounts of the statement of financial position of the Company have been reclassified to conform with the current year's presentation.

27. Dividends

The Board of the Company did not recommend the distribution of any annual dividend for the year ended December 31, 2024 (year ended December 31, 2023: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Non-GAAP Financial Measures

We provide certain financial measures that are not defined under accounting principle generally accepted in the United States of America ("GAAP"), commonly referred to as non-GAAP financial measures, including Adjusted Operating Expenses and Adjusted Income (Loss) from Operations and certain other non-GAAP measures, each of which include adjustments to GAAP figures. These non-GAAP measures are intended to provide additional information on our operating performance. Adjustments to our GAAP figures exclude, as applicable, non-cash items such as share-based compensation, depreciation and amortization. Certain other special items or substantive events may also be included in the non-GAAP adjustments periodically when their magnitude is significant within the periods incurred. We maintain an established non-GAAP policy that guides the determination of what items may be excluded in non-GAAP financial measures. We believe that these non-GAAP measures, when considered together with the GAAP figures, can enhance an overall understanding of our operating performance. The non-GAAP financial measures are included with the intent of providing investors with a more complete understanding of our historical and expected financial results and trends and to facilitate comparisons between periods and with respect to projected information. In addition, these non-GAAP financial measures are among the indicators BeiGene's management uses for planning and forecasting purposes and measuring our performance. These non-GAAP financial measures should be considered in addition to, and not as a substitute for, or superior to, GAAP financial measures. The non-GAAP financial measures used by BeiGene may be calculated differently from, and therefore may not be comparable to, non-GAAP financial measures used by other companies.

Overview

Our full year results demonstrate our tremendous growth as a global oncology powerhouse, reinforced by the continued success of BRUKINSA and the development of one of the most prolific solid tumor pipelines in oncology with multiple data readouts expected in 2025. BRUKINSA is now the unequivocal leader in new CLL patient starts in the U.S., holds the broadest label of any BTK inhibitor and serves as the cornerstone of our hematology franchise, showing immense promise as a backbone alongside our late stage BCL2 inhibitor, sonrotoclax, and our potential first-in-class BTK CDAC. We are also building future solid tumor franchises in breast, lung, and gastrointestinal cancers by leveraging our platforms in multi-specific antibodies, protein degraders and antibody-drug conjugates. 2025 marks an inflection point as we anticipate achieving positive GAAP operating income and operating cash flow alongside our intention to change our name to BeOne with our new NASDAQ ticker, ONC.

Key highlights for the full year 2024 are as follows:

- Total global revenues of US$3.8 billion for the full year 2024, an increase of 55.0% from prior year;
- Narrowed GAAP operating loss and achieved full-year positive non-GAAP operating income;
- Global BRUKINSA revenues of US$2.6 billion for the full year 2024, an increase of 104.9% from prior year;
- Progressed pivotal-stage programs for BCL2 inhibitor sonrotoclax and BTK CDAC BGB-16673;

- Advanced thirteen NMEs into the clinic for the full year; and

- Anticipate multiple data readouts for innovative solid tumor programs in 1H 2025.

Recent Business Developments

On January 13, 2025 we participated in the 43rd Annual J.P. Morgan Healthcare Conference and announced that we expect to achieve positive operating income for full year 2025 pursuant to generally accepted accounting principles.

On December 27, 2024, we announced that the U.S. Food and Drug Administration ("FDA") approved TEVIMBRA® (tislelizumab-jsgr), in combination with platinum and fluoropyrimidine-based chemotherapy, for the first-line treatment of unresectable or metastatic HER2-negative gastric or gastroesophageal junction adenocarcinoma in adults whose tumors express PD-L1 (≥1).

On December 23, 2024, we announced that our American Depository Shares will begin trading on the Nasdaq Global Select Market under our new ticker symbols "ONC" as of January 2, 2025.

On December 12, 2024, we announced entering into a global licensing agreement with CSPC Zhongqi Pharmaceutical Technology (Shijiazhuang) Co., Ltd. for SYH2039, a novel methionine adenosyltransferase 2A (MAT2A)-inhibitor being explored for solid tumors.

On November 27, 2024, we announced that the European Commission approved TEVIMBRA® in combination with chemotherapy for the first-line treatment of esophageal squamous cell carcinoma and gastric or gastroesophageal junction adenocarcinoma.

On November 19, 2024, we announced entering into a settlement agreement with MSN Pharmaceuticals, Inc. and MSN Laboratories Private Ltd. resolving patent litigation related to MSN's Abbreviated New Drug Application seeking approval to market a generic version of BRUKINSA® (zanubrutinib) in the U.S.

On November 14, 2024, we announced our intention to change the Company's name to "BeOne Medicines Ltd." confirming our commitment to develop innovative medicines to eliminate cancer by partnering with the global community to serve as many patients as possible. Implementation of our new name is subject to shareholder approval to be sought at a future shareholder meeting.

FUTURE AND OUTLOOK

We were founded with the vision to create an integrated biopharmaceutical company to address challenges in the pharmaceutical industry, creating impactful medicines that will be affordable and accessible to far more patients around the world. We are uniquely built to address an increasingly challenged industry and improve R&D returns.

We have built a substantial global clinical team of approximately 3,700 people on six continents, allowing us to run clinical trials predominantly without reliance on CROs. We believe independence from traditional CRO models allows us to execute more cost-efficient development and achieve faster time to clinical proof-of-concept. It also allows us to expand the reach of our clinical sites, which supports diverse participation and the collection of robust data across all patient demographics. Our demonstrated ability to complete large-scale, multi-regional clinical trials is an important strategic competitive advantage and addresses an immense challenge in the pharmaceutical industry.

We have built a highly productive and cost-effective oncology research teams with 1,100+ scientists, allowing us to drive serial innovation to enable sustained market leadership. Our efforts have been validated by commercial approvals, clinical data, and collaborations that have secured US$1.5 billion in collaboration payments to our company. We design each research program with a differentiated biological hypothesis MoA, which has resulted in multiple commercially approved medicines and a pipeline of wholly-owned assets with potential for combinations and depth in key tumor types. We have invested in diverse technology platforms to pursue innovation, including CDAC protein degraders, bispecific antibodies, tri-specific antibodies, and ADCs allowing us access to diverse modalities and to advance science with urgency and agility. Our CDAC platform, in particular, offers a differentiated approach from small molecules with its catalytic activity, higher barrier to resistance, and scaffold function disruption, and we believe it has the potential to emerge as a best-in-class approach. Our research and innovation capabilities are primed for discovering high-quality and impactful medicines for patients in a highly productive and cost-effective way.

We have built a strong commercial portfolio, with BRUKINSA and TEVIMBRA® driving global revenue.

Solidifying our Sustainable Hematology Franchise

Our hematology franchise is led by BRUKINSA, which is supported by a broad clinical program with over 7,100 patients enrolled in more than 30 countries and regions across more than 35 trials. We continue to solidify our leadership in hematology, utilizing BRUKINSA as our cornerstone asset. We are focused on lifecycle management to build a sustainable hematology franchise maximizing value for our company, shareholders and patients globally. BRUKINSA has allowed us to build a strong franchise in hematology-oncology and we plan to solidify our leadership in CLL with our wholly-owned, emerging best-in-class hematology pipeline consisting of sonrotoclax and our BTK-CDAC, while amplifying our impact in other B-cell malignancies. We believe our BTK-CDAC combinations with BRUKINSA and sonrotoclax show promise to meaningfully outperform fixed duration regimens in CLL, and our three differentiated molecules offer potential best-in-disease combinations to cover the entire CLL patient spectrum and insulate BeiGene from end-of-lifecycle pricing pressure.

Expanding Access to Our PD-1 Inhibitor for Patients Worldwide and Building Global Commercial Capabilities to Support Prolific Pipeline

Our solid tumor franchise is led by our anti-PD-1 monoclonal antibody, TEVIMBRA®, which is currently approved in the U.S., EU, China and other countries. We intend to expand TEVIMBRA's global footprint through ongoing submissions and approvals. We are also developing a high-concentration subcutaneous formulation of TEVIMBRA which we believe will be competitive in global markets. With TEVIMBRA and the potentially best-in-class solid tumor pipeline assets, we are well-positioned to build our solid tumor business and deliver innovative therapies and combinations to patients.

We have a global commercial organization to deliver medicines to patients around the globe. We have established commercial capabilities in key large commercial markets of the U.S., E.U and China, and continue our rapid expansion of capabilities into Asia Pacific, Latin America, and Middle East regions, driving the delivery of highly effective and differentiated medicines to patients around the globe. This has enabled a geographically diversified revenue mix and a truly global business.

Our business model is sustainable and results in strong global financial profile. We believe we are financially well-positioned with cash and cash equivalents of US$2.6 billion as of December 31, 2024. Our product revenue has grown 73% since 2023 from our current portfolio and cornerstone assets, which we expect to grow significantly in 2025 and beyond. We significantly reduced our GAAP operating losses and achieved non-GAAP operating income for the first time for fiscal year 2024. We generated positive cash flows from operations for the first time in both the third and fourth quarters of 2024 after years of using cash in our operations. We will continue to be thoughtful and strategic in how we deploy our capital, and consistent with previous collaborations, we will actively explore partnerships that strengthen our business. We are committed to generating long-term value for our shareholders.

FINANCIAL REVIEW

Results of Operations

Comparison of the Years Ended December 31, 2024 and 2023

The following table summarizes our results of operations for the years ended December 31, 2024 and 2023:

	Year Ended December 31,		Change	
	2024	2023		%
	(US dollars in thousands)			
Revenues				
Product revenue, net	3,779,546	2,189,852	1,589,694	72.6%
Collaboration revenue	30,695	268,927	(238,232)	(88.6)%
Total revenues	3,810,241	2,458,779	1,351,462	55.0%
Cost of sales – product	594,089	379,920	214,169	56.4%
Gross profit	3,216,152	2,078,859	1,137,293	54.7%
Operating expenses				
Research and development	1,953,295	1,778,594	174,701	9.8%
Selling, general and administrative	1,831,056	1,508,001	323,055	21.4%
Total operating expenses	3,784,351	3,286,595	497,756	15.1%
Loss from operations	(568,199)	(1,207,736)	639,537	(53.0)%
Interest income, net	47,836	74,009	(26,173)	(35.4)%
Other (expense) income, net	(12,638)	307,891	(320,529)	(104.1)%
Loss before income tax expense	(533,001)	(825,836)	292,835	(35.5)%
Income tax expense	111,785	55,872	55,913	100.1%
Net loss	(644,786)	(881,708)	236,922	(26.9)%

Revenue

Total revenue increased by US$1.4 billion to US$3.8 billion for the year ended December 31, 2024, from US$2.5 billion for the year ended December 31, 2023, primarily due to increased sales of BRUKINSA, as well as increased sales of in-licensed products from Amgen and tislelizumab. Collaboration revenue decreased year over year due to the recognition of the remaining deferred revenue associated with the Novartis collaborations upon termination of the agreements in 2023.

Total revenue by geographic area is presented as follows (amounts in thousands of U.S. dollars)[1]:

	Year Ended December 31,			
	2024	**%**	**2023**	**%**
United States total revenue	**1,957,498**	**51.4%**	**1,128,219**	**45.9%**
Product revenue	1,950,530	51.2%	945,551	38.5%
Collaboration revenue	6,968	0.2%	182,668	7.4%
China total revenue	**1,411,307**	**37.0%**	**1,101,951**	**44.8%**
Product revenue	1,390,699	36.5%	1,093,091	44.5%
Collaboration revenue	20,608	0.5%	8,860	0.3%
Europe total revenue	**362,626**	**9.5%**	**202,014**	**8.2%**
Product revenue	359,507	9.4%	122,228	5.0%
Collaboration revenue	3,119	0.1%	79,786	3.2%
ROW total revenue	**78,810**	**2.1%**	**26,595**	**1.1%**
Product revenue	78,810	2.1%	28,982	1.2%
Collaboration revenue	–	–%	(2,387)	(0.1)%
Total Revenue	**3,810,241**	**100.0%**	**2,458,779**	**100.0%**

[1] Net product revenues by geographic area are based upon the location of the customer, and net collaboration revenue is recorded in the jurisdiction in which the related income is expected to be sourced from.

Net product revenue consisted of the following:

	Year Ended December 31,		Changes	
	2024	2023		%
	(US dollars in thousands)			
BRUKINSA®	2,644,226	1,290,396	1,353,830	104.9%
Tislelizumab	620,836	536,620	84,216	15.7%
XGEVA®	224,403	92,828	131,575	141.7%
BLINCYTO®	74,331	54,342	19,989	36.8%
KYPROLIS®	66,171	39,799	26,372	66.3%
POBEVCY®	53,509	56,547	(3,038)	(5.4)%
REVLIMID®	36,028	76,018	(39,990)	(52.6)%
Other	60,042	43,302	16,740	38.7%
Total product revenue	3,779,546	2,189,852	1,589,694	72.6%

Net product revenue was US$3.8 billion for the year ended December 31, 2024, compared to US$2.2 billion in the prior year, primarily due to increased sales of BRUKINSA globally, driven by significant growth in the U.S. and Europe. In addition, product revenues in 2024 were positively impacted by growth from in-licensed products from Amgen and tislelizumab.

Global sales of BRUKINSA totaled US$2.6 billion for the year ended December 31, 2024, representing a 104.9% increase compared to the prior year. U.S. sales of BRUKINSA totaled US$2.0 billion for the year ended December 31, 2024 compared to US$945.6 million in the prior year, representing growth of 106.3%. U.S. volume growth continued to accelerate in the period due primarily to demand growth coming from expanded use in CLL as BRUKINSA continued to gain share in new patient starts in CLL and all other approved indications. In addition, U.S. sales were also positively impacted in the fourth quarter of 2024 by seasonality and the timing of customer order patterns of approximately US$30.0 million. BRUKINSA sales in the EU totaled US$358.8 million for the year ended December 31, 2024, representing growth of 193.6% compared to the prior-year period, driven by continued gains in market share across all major markets. BRUKINSA sales in China totaled US$258.1 million for the year ended December 31, 2024, representing growth of 33.2% compared to the prior year.

Sales of tislelizumab totaled US$620.8 million for the year ended December 31, 2024, representing a 15.7% increase compared to the prior year. Certain additional tislelizumab indications have been included in the 2025 NRDL. There were no price reductions resulting from inclusion.

Collaboration revenue totaled US$30.7 million for the year ended December 31, 2024, primarily related to revenue generated under the Novartis broad markets marketing and promotion agreement and royalty revenue under the Amgen collaboration. Collaboration revenue totaled US$268.9 million for the year ended December 31, 2023, primarily related to the recognition of the remaining deferred revenue associated with the former Novartis tislelizumab and ociperlimab collaborations which were terminated in the prior year.

Gross Margin

Gross margin on global product sales increased to US$3.2 billion, or 84.3% as a percentage of sales, for the year ended December 31, 2024, compared to US$1.8 billion, or 82.7% as a percentage of sales, for the year ended December 31, 2023, primarily due to proportionately higher sales mix of BRUKINSA compared to other products in our portfolio, partially offset by the impact of accelerated depreciation expense of US$32.7 million resulting from the move to more efficient, larger scale production lines for tislelizumab. On an adjusted basis, which does not include the accelerated depreciation, gross margin as a percentage of product sales increased to 85.5% for the year ended December 31, 2024, from 83.2% in the comparable period of the prior year.

Research and Development Expense

Research and development expense increased by US$174.7 million, or 9.8%, to US$2.0 billion for the year ended December 31, 2024, from US$1.8 billion for the year ended December 31, 2023. The following table summarizes the external cost of development programs, upfront license and development milestone fees, and internal research and development expense for the years ended December 31, 2024 and 2023:

	Year Ended December 31,		Changes	
	2024	**2023**		**%**
	(US dollars in thousands)			
External research and development expense:				
Cost of development programs	539,446	551,417	(11,971)	(2.2)%
Upfront license and development milestone fees	114,049	46,800	67,249	143.7%
Amgen co-development expenses[1]	75,165	53,315	21,850	41.0%
Total external research and development expense	728,660	651,532	77,128	11.8%
Internal research and development expenses	1,224,635	1,127,062	97,573	8.7%
Total research and development expenses	1,953,295	1,778,594	174,701	9.8%
Adjusted research and development expense[2]	1,668,368	1,558,960	109,408	7.0%

1. Our co-funding obligation for the development of the pipeline assets under the Amgen collaboration for the year ended December 31, 2024 totaled US$148.4 million, of which US$75.2 million was recorded as R&D expense. The remaining US$73.2 million was recorded as a reduction for the R&D cost share liability.

2. Adjusted research and development expense is intended to provide investors and others with information about our performance without the effect of items that, by their nature, tend to obscure core operating results due to potential variability across periods based on the timing, frequency and magnitude of such items. Refer to Non-GAAP Financial Measures and Non-GAAP Reconciliation in this MD&A for more information about, and a detailed reconciliation of, these items.

The increase in external research and development expenses for the year ended December 31, 2024 was primarily attributable to higher upfront license and development milestone fees and increases in Amgen co-development expense, partially offset by lower external clinical trial costs.

Internal research and development expense increased US$97.6 million, or 8.7%, to US$1.2 billion for the year ended December 31, 2024 from US$1.1 billion in the prior year, and was primarily attributable to the expansion of our global development organization and our clinical and preclinical drug candidates, as well as our continued efforts to internalize research and clinical trial activities. Included within internal research and development expenses for the year ended December 31, 2024 is US$27.1 million of accelerated depreciation expense related to the move of clinical production to larger, more efficient production lines.

Selling, General and Administrative Expense

	Year Ended December 31,		Changes	
	2024	2023		%
	(US dollars in thousands)			
Selling, general and administrative expense	1,831,056	1,508,001	323,055	21.4%
Adjusted selling, general and administrative expense[1]	1,549,864	1,284,689	265,175	20.6%

1. Adjusted selling, general and administrative expense is intended to provide investors and others with information about our performance without the effect of items that, by their nature, tend to obscure core operating results due to potential variability across periods based on the timing, frequency and magnitude of such items. Refer to Non-GAAP Financial Measures and Non-GAAP Reconciliation in this MD&A for more information about, and a detailed reconciliation of, these items.

Selling, general and administrative expense increased by US$323.1 million, or 21.4%, to US$1.8 billion for the year ended December 31, 2024, from US$1.5 billion for the year ended December 31, 2023. The increase was due to continued investment in the global commercial launch of BRUKINSA primarily in the U.S. and Europe. Selling, general and administrative expenses as a percentage of product sales were 48.4% for the year ended December 31, 2024 compared to 68.9% in the prior-year period. We expect continued investment growth in selling and marketing expenses as our product sales increase.

Interest Income, Net

Interest income, net decreased by US$26.2 million, or 35.4%, to US$47.8 million for the year ended December 31, 2024, compared to US$74.0 million for the year ended December 31, 2023. The decrease in interest income was primarily attributable to lower interest rates earned on our cash and cash equivalents and lower cash balances in interest-bearing investments. Interest expense increased resulting from a higher debt balance, partially offset by an increase in interest capitalization related to Hopewell construction.

Other (Expense) Income, Net

Other expense, net for the year ended December 31, 2024 was US$12.6 million, due to foreign exchange losses, primarily from holding net monetary assets denominated in the RMB at certain U.S. dollar functional entities, including BeiGene, Ltd. (the "Parent Company"), and unrealized losses on equity investments, partially offset by government subsidy income.

Other income, net for the year ended December 31, 2023 was US$307.9 million, primarily due to the non-cash gain of US$362.9 million recorded for the receipt of our ordinary shares as consideration for our settlement with BMS and government subsidy income, partially offset by foreign exchange losses resulting from the strengthening of the U.S. dollar compared to the RMB and the revaluation impact of RMB-denominated deposits held in U.S. dollar functional currency subsidiaries and unrealized losses on equity investments.

Income Tax Expense

Income tax expense was US$111.8 million for the year ended December 31, 2024 compared with US$55.9 million for the year ended December 31, 2023. The income tax expense for the year ended December 31, 2024 was primarily attributable to higher pre-tax income resulting in current U.S. tax expense determined after other special tax deductions and research and development tax credits, including tax expense of US$12.1 million due to the impact of tax reserves on uncertain tax positions related to research and development tax credits, lower taxable income in China, higher tax expense in certain EU and ROW jurisdictions and the deferred impact of the Company's unremitted earnings in the U.S. The Company's tax expense for 2024 reflects the historic allocation of pre-tax earnings and losses among our significant jurisdictions. This allocation and resulting tax expense depends on various factors including the level of income and unremitted earnings generated in the U.S., and amount of research and development costs incurred in China and therefore may vary from the historic allocation.

In December 2021, the Organization for Economic Cooperation and Development ("OECD") enacted model rules for a new global minimum tax framework ("BEPS Pillar Two"), and various governments around the world have enacted, or are in the process of enacting legislation on this. While we do not anticipate that this will have a material impact on our tax provision or effective tax rate, we will continue to monitor and assess pending legislation, guidance, and implementation by individual countries and evaluate the potential impact on our business in future periods.

Non-GAAP Reconciliation

	Year Ended December 31, 2024	2023
	(US dollars in thousands)	
Reconciliation of GAAP to adjusted cost of sales – products:		
GAAP cost of sales – products	594,089	379,920
Less: Depreciation	42,707	8,578
Less: Amortization of intangibles	4,729	3,739
Adjusted cost of sales – products	546,653	367,603
Reconciliation of GAAP to adjusted research and development:		
GAAP research and development	1,953,295	1,778,594
Less: Share-based compensation expenses	186,113	163,550
Less: Depreciation	98,814	56,084
Adjusted research and development	1,668,368	1,558,960
Reconciliation of GAAP to adjusted selling, general and administrative:		
GAAP selling, general and administrative	1,831,056	1,508,001
Less: Share-based compensation expenses	255,680	204,038
Less: Depreciation	25,417	15,774
Less: Amortization of intangibles	95	3,500
Adjusted selling, general and administrative	1,549,864	1,284,689
Reconciliation of GAAP to adjusted operating expenses		
GAAP operating expenses	3,784,351	3,286,595
Less: Share-based compensation expenses	441,793	367,588
Less: Depreciation	124,231	71,858
Less: Amortization of intangibles	95	3,500
Adjusted operating expenses	3,218,232	2,843,649
Reconciliation of GAAP to adjusted loss from operations:		
GAAP loss from operations	(568,199)	(1,207,736)
Plus: Share-based compensation expenses	441,793	367,588
Plus: Depreciation	166,938	80,436
Plus: Amortization of intangibles	4,824	7,239
Adjusted income (loss) from operations	45,356	(752,473)

DISCUSSION OF CERTAIN KEY BALANCE SHEET ITEMS

Cash, cash equivalents and restricted cash

As of December 31, 2024, the Company's cash, cash equivalents and restricted cash primarily comprised of (i) approximately US$1.1 billion denominated in US dollars; (ii) approximately RMB10.0 billion (equivalent to approximately US$1.3 billion) denominated in Renminbi; and (iii) approximately US$141.5 million denominated in Euro, Australian dollar, and other currencies.

Accounts receivable, net

Accounts receivable increased by 88.9% from US$358.0 million as of December 31, 2023 to US$676.3 million as of December 31, 2024, primarily due to the increased sales of our internally developed products and in-licensed products.

Inventories, net

The inventories increased by 19.0% from US$416.1 million as of December 31, 2023 to US$495.0 million as of December 31, 2024, primarily due to stock preparation for the increased sales of our internally-developed products.

Prepaid expenses and other current assets

Prepaid expenses and other current assets decreased by 25.1% from US$257.5 million as of December 31, 2023 to US$192.9 million as of December 31, 2024, primarily due to (i) the decrease of prepaid manufacturing cost; (ii) the decrease of prepaid tax; (iii) the decrease of deposits and other current assets.

Property, plant and equipment, net

The property and equipment increased by 19.2% from US$1,324.2 million as of December 31, 2023 to US$1,578.4 million as of December 31, 2024, primarily attributable to our ongoing build out of the Company's manufacturing and clinical R&D campus in Hopewell.

Other non-current assets

The other non-current assets increased by 28.0% from US$125.4 million as of December 31, 2023 to US$160.5 million as of December 31, 2024, primarily due to the increase of investments in equity securities.

Accounts payable

Accounts payable includes amounts due to third parties and totaled US$405.0 million and US$315.1 million as of December 31, 2024 and 2023, respectively.

The following table sets forth an aging analysis of accounts payable as of the dates indicated, which is based on invoice date:

	As of December 31,	
	2024	2023
	(US dollars in thousands)	
Within 3 months	401,252	302,310
3 to 6 months	871	8,205
6 months to 1 year	2,615	4,551
Over 1 year	259	45
Total	404,997	315,111

Accrued expenses and other payables

Accrued expenses and other payables consist of the following as of December 31, 2024 and 2023:

	As of December 31,	
	2024	2023
	(US dollars in thousands)	
Compensation related	248,348	217,803
Sales rebates and returns related	235,600	139,936
External research and development activities related	154,269	162,969
Commercial activities	77,530	87,572
Accrued general and administrative expenses	31,106	36,203
Individual income tax and other taxes	34,904	30,083
Other	21,956	19,165
Total accrued expenses and other payables	803,713	693,731

Accrued expenses and other payables increased by 15.9% from US$693.7 million as of December 31, 2023 to US$803.7 million as of December 31, 2024. The increase was primarily due to the increase of sales rebates and returns in line with increased sales volume of our internally developed products.

Debt

The company's total debt increased by 14.9% from US$886.0 million as of December 31, 2023 to US$1,018.0 million as of December 31, 2024, primarily due to the increase of short-term debt during the year ended December 31, 2024.

Liquidity and Capital Resources

The following table represents our cash and debt balances as of December 31, 2024 and 2023:

	Year Ended December 31,	
	2024	2023
	(US dollars in thousands)	
Cash, cash equivalents and restricted cash	2,638,747	3,185,984
Total debt	1,018,013	885,984

We have incurred annual net losses and negative cash flows from operations since inception, resulting from the cost of funding our research and development programs and selling, general and administrative expenses associated with our operations, as well as supporting the commercialization of our products globally. We incurred net losses of US$0.6 billion and US$0.9 billion for the years ended December 31, 2024 and 2023, respectively. As of December 31, 2024, we had an accumulated deficit of US$8.6 billion.

To date, we have financed our existing operations and investments in long-term assets principally through proceeds from public and private offerings of our securities, proceeds from debt and our collaborations, and since the third quarter of 2024 cash flow from operations. Based on our current operating plan, we expect that our existing cash and cash equivalents as of December 31, 2024 will enable us to fund our operating expenses and planned long-term investments for at least the next 12 months after the date that the financial statements included in this report are issued. We have also financed our operations and investments with proceeds from debt incurred primarily from various banks both through our subsidiaries and the Parent Company of US$1.0 billion at December 31, 2024. The majority of those debt obligations, or approximately US$762.1 million, owed by BeiGene, Ltd., have due dates within the next 12 months. As of December 31, 2024, BeiGene, Ltd. will require loans or distributions from subsidiaries in fiscal year 2025 to fund its operations (see Note 11 in the Notes to the Financial Statements for further discussion of deferred taxes on the U.S. unremitted earnings expected to be distributed to the Parent Company). We believe we will have sufficient cash and cash equivalents and other sources of capital to be able to repay and/or refinance those debt obligations on a consolidated basis.

On December 15, 2021, we completed our initial public offering on the STAR Market of the Shanghai Stock Exchange (the "STAR Offering"). As required by the PRC securities laws, the net proceeds from the STAR Offering must be used in compliance with the planned uses as disclosed in the PRC prospectus as well as our proceeds management policy for the STAR Offering approved by our Board. As of December 31, 2024, the Company had cash remaining related to the STAR Offering proceeds of US$0.6 billion.

The following table provides information regarding our cash flows for the years ended December 31, 2024 and 2023:

	Year Ended December 31,	
	2024	2023
	(US dollars in thousands)	
Cash, cash equivalents and restricted cash at beginning of period	3,185,984	3,875,037
Net cash used in operating activities	(140,631)	(1,157,453)
Net cash (used in) provided by investing activities	(548,350)	60,004
Net cash provided by financing activities	193,449	416,478
Net effect of foreign exchange rate changes	(51,705)	(8,082)
Net decrease in cash, cash equivalents and restricted cash	(547,237)	(689,053)
Cash, cash equivalents and restricted cash at end of period	2,638,747	3,185,984

Operating Activities

Cash used in operating activities improved versus the prior year due to our significantly improved revenue and US$1.1 billion increase in gross margin in the current year and a decrease in cash used to fund working capital, offset by continued funding of our development pipeline, and commercial operations to support our global expansion.

Investing Activities

Investing activities used US$548.4 million of cash for the year ended December 31, 2024, compared to US$60.0 million of cash provided in the prior year due primarily to a decrease in proceeds from sales and maturities of investment securities, partially offset by a decrease in capital expenditures.

Financing Activities

Financing activities provided US$193.4 million of cash for the year ended December 31, 2024, compared to US$416.5 million of cash provided in the prior year period due primarily to a net reduction in short-term debt borrowings.

Our borrowing and repayment cycle is dictated by the short-term maturities of our debt and the ability to increase our borrowings is dependent on interest rates, credit spreads, bank lending capacity and other factors. We expect to repay approximately US$851.5 million of loans in 2025 and expect to be able to re-finance those on a consistent basis with our historical experience, with the cost of those borrowings depending on prevailing interest rates and credit spreads.

Effects of Exchange Rates on Cash

As noted above, we hold RMB denominated cash in our Parent Company (largely arising from the STAR Offering) and incur foreign currency gains or losses when remeasuring such cash to the U.S. dollar. In the year ended December 31, 2024, we incurred realized losses on cash of US$16.5 million that is included in the reconciling items between net loss and net cash used in operating activities on the consolidated statements of cash flows primarily related to the remeasurement of RMB denominated cash to USD. The RMB denominated cash in our Parent Company, however, is required to be used to fund RMB denominated expenditures and thus foreign currency gains or losses on such cash does not affect our ability to fund those expenditures.

We also have substantial operations in China, where the functional currency is the RMB and as such the net cash flows are translated to the U.S. dollar for financial reporting. This process generates translation gains and losses on RMB-denominated cash held in China that are included in the effects of foreign exchange rate changes on the consolidated statements of cash flows, as such translation gains and losses are excluded from cash flows from operating, investing and financing activities.

Future Liquidity and Material Cash Requirements

Our material cash requirements in the short – and long-term consist of the following operational, capital, and manufacturing expenditures, a portion of which contain contractual or other obligations. We plan to fund our material cash requirements with cash on hand.

Contractual and Other Obligations

The following table summarizes our significant contractual obligations as of December 31, 2024:

		Payments Due by Period	
	Total	**Short-term**	**Long-term**
	(US dollars in thousands)		
Contractual obligations:			
Operating lease commitments	68,534	19,824	48,710
Purchase commitments	131,944	110,423	21,521
Debt obligations	1,018,013	851,529	166,484
Interest on debt	55,230	39,856	15,374
Co-development funding commitment	335,261	225,251	110,010
Funding commitment	7,404	1,838	5,566
Pension plan	16,405	3,922	12,483
Capital commitments	48,347	48,347	–
Total	1,681,138	1,300,990	380,148

Operating Lease Commitments

We lease office facilities in California, Massachusetts, Maryland, and New Jersey in the U.S.; Basel, Switzerland; and office or manufacturing facilities in Beijing, Shanghai, Suzhou and Guangzhou in China; under non-cancelable operating leases expiring on various dates. Payments under operating leases are expensed on a straight-line basis over the respective lease terms. The aggregate future minimum payments under these non-cancelable operating leases are summarized in the table above.

Purchase Commitments

As of December 31, 2024, purchase commitments amounted to US$131.9 million, of which US$32.5 million related to minimum purchase requirements for supply purchased from CMOs and US$99.4 million related to binding purchase order obligations of inventory from Amgen. We do not have any minimum purchase requirements for inventory from Amgen.

Debt Obligations and Interest

Total debt obligations coming due in the next twelve months are US$851.5 million. Total long-term debt obligations are US$166.5 million. We have numerous financial and non-financial covenants on our debt obligations with various banks and other lenders. Some of these covenants include default and/or cross-default provisions that could require acceleration of repayment of our loans in the event of default. However, our debt is primarily short-term in nature. Any acceleration would be a matter of months but may impact our ability to refinance our debt obligations if an event of default occurs. As of December 31, 2024, we are in compliance with all covenants of our material debt agreements. See above regarding Liquidity and Capital Resources and Note 14 in the Notes to the Financial Statements for further detail of our debt obligations.

Interest on bank loans is paid quarterly until the respective loans are fully settled. For the purpose of contractual obligations calculation, current interest rates on floating rate obligations were used for the remainder contractual life of the outstanding borrowings.

Co-Development Funding Commitments

Under our collaboration with Amgen, we are responsible for co-funding global clinical development costs for the licensed oncology pipeline assets, up to a total cap of US$1.25 billion. We are funding our portion of the co-development costs by contributing cash and/or development services. As of December 31, 2024, our remaining co-development funding commitment was US$335.3 million.

Funding Commitment

Funding commitment represents our committed capital related to two of our equity method investments. As of December 31, 2024, our remaining capital commitment was US$7.4 million and is expected to be paid from time to time over the investment period.

Pension Plan

We maintain a defined benefit pension plan in Switzerland that is collectively financed by employer and employee contributions. As of December 31, 2024, the plan was unfunded US$16.4 million, with US$3.9 million of employer contributions expected in 2025. The timing and amount of future long-term funding requirements will vary as a result of future changes in staffing and compensation levels, various actuarial assumptions and actual investment returns on plan assets. In the event of an underfunding, Switzerland pension foundations can levy additional contributions on the employer.

Capital Commitments

We had capital commitments amounting to US$48.3 million for the acquisition of property, plant and equipment as of December 31, 2024, related to various facilities across the globe.

Interest Risk

We are exposed to risk related to changes in interest rates on our outstanding borrowings. We had US$720.1 million of outstanding floating rate debt as of December 31, 2024. A 100-basis point increase in interest rates as of December 31, 2024 would increase our annual pre-tax interest expense by approximately US$7.2 million.

Foreign Currency Exchange Rate Risk

China Exchange Rate Regime

RMB is not freely convertible into foreign currencies for capital account transactions. The State Administration of Foreign Exchange, under the authority of the People's Bank of China, controls the conversion of RMB into foreign currencies. The value of RMB against the U.S. dollar and other currencies is affected by, among other things, changes in China's political and economic conditions and China's foreign exchange prices. Since 2005, the RMB has been permitted to fluctuate within a narrow and managed band against a basket of certain foreign currencies. The RMB compared to the U.S. dollar depreciated approximately 2.8% for both the years ended December 31, 2024 and 2023, respectively. It is difficult to predict how market forces or PRC or U.S. government policy may impact the exchange rate between the RMB and the U.S. dollar in the future.

Transactional Risk

We are exposed to foreign exchange risk arising from various currency exposures when we enter into transactions denominated in foreign currencies. Our reporting currency is the U.S. dollar, and our most significant functional currencies are the U.S. dollar and the RMB. A portion of our operating transactions and monetary assets and liabilities are in currencies other than the U.S. dollar and RMB, primarily the U.S. dollar against the RMB, Euro, and Australian dollar. During the years ended December 31, 2024 and 2023, we recognized foreign exchange losses of US$16.0 million and US$64.8 million, respectively, resulting from the strengthening of the U.S. dollar compared to the RMB and the revaluation impact of RMB-denominated deposits held in U.S. dollar functional currency entities, including the Parent Company. As of December 31, 2024, the Parent Company held RMB-denominated deposits of US$220.4 million. A hypothetical 10% appreciation in the U.S. dollar exchange rate compared with the RMB as of December 31, 2024 would have resulted in an increase in foreign exchange loss of approximately US$20.0 million.

Translational Risk

We also face foreign currency exposure that arises from translating the results of our global operations to the U.S. dollar at exchange rates that have fluctuated from the beginning of the period, primarily the RMB against the U.S. dollar. A significant depreciation of the RMB against the U.S. dollar may significantly reduce the U.S. dollar equivalent of our foreign cash balances and trade receivables. Further, volatility in exchange rate fluctuations may have a significant impact on the foreign currency translation adjustments recorded in other comprehensive income (loss).

We have not used derivative financial instruments to reduce the effect of fluctuating currency exchange rates.

Effects of Inflation

Inflation generally affects us by increasing our cost of labor and clinical trial costs. We do not believe that inflation has had a material effect on our results of operations during the year ended December 31, 2024.

Gearing Ratio

The gearing ratio of the Company, which was calculated by dividing total interest-bearing loans by total equity as of the end of the year, was 30.6 % as of December 31, 2024, representing an increase from 25.0% as of December 31, 2023. The increase was primarily due to the increase of short-term debt and accumulated deficit.

Significant Investments Held

Except as disclosed in notes to the consolidated financial statements, we did not have other significant investments held as of December 31, 2024.

Future Plans for Material Investments and Capital Assets

Except as disclosed in notes to the consolidated financial statements, we did not have other plans for material investments and capital assets as of December 31, 2024.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

Except as disclosed in notes to the consolidated financial statements, we did not have other material acquisitions and disposals of subsidiaries, associates and joint ventures during the year ended December 31, 2024.

Employee and Remuneration Policy

As of December 31, 2024, we had a global team of over 11,000 employees, which increased from 10,500 employees as of December 31, 2023. Most of our employees are full-time. The remuneration policy and package of the Company's employees are periodically reviewed. In addition to cash compensation and benefits, we may issue share options, share appreciation rights, restricted shares, restricted share units, unrestricted shares, performance share awards, cash-based awards and dividend equivalent rights to our employees in accordance with our equity plans. We also provide external and internal training programs to our employees. The packages were set by benchmarking with companies in similar industries and companies of similar size. The total remuneration cost incurred by the Company for the year ended December 31, 2024 was US$1.8 billion (2023: US$1.6 billion).

Pledge of Assets

As of December 31, 2024, we pledged restricted deposits of US$11.3 million (December 31, 2023: US$14.2 million) primarily consist of cash deposits held in designated bank accounts for collateral for letters of credit and letters of guarantee, and land use right and certain property, plant and equipments with a total carrying amount of US$144.9 million (December 31, 2023: US$200.4 million) were secured for long-term bank loans.

Contingent Liabilities

As of December 31, 2024, we did not have any material contingent liabilities (as of December 31, 2023: nil).

Final Dividend

The Board does not recommend any final dividend for the year ended December 31, 2024.

Recent Accounting Pronouncements

See Note 2 to our consolidated financial statements included in this announcement for information regarding recent accounting pronouncements.

OTHER INFORMATION

Compliance with the Corporate Governance Code

The Company is committed to maintaining and promoting stringent corporate governance. The principle of the Company's corporate governance is to promote effective internal control measures, uphold a high standard of ethics, transparency, responsibility and integrity in all aspects of business, to ensure that its affairs are conducted in accordance with applicable laws and regulations, and to enhance the transparency and accountability of the Board to the Company's shareholders.

The Board believes that good corporate governance standards are essential in providing a framework for the Company to safeguard the interests of shareholders, enhance corporate value and formulate its business strategies and policies.

During the Reporting Period, the Company has applied the principles in the Corporate Governance Code as set out in Appendix C1 to the HK Listing Rules (the "Corporate Governance Code") which are applicable to the Company and complied with the code provisions in the Corporate Governance Code save for the following deviations.

Pursuant to code provision C.2.1 of the Corporate Governance Code, companies listed on the HKEX are expected to comply with, but may choose to deviate from, the requirement that the responsibilities of the Chairman and the Chief Executive Officer should be segregated and should not be performed by the same individual. We do not have a separate Chairman and Chief Executive Officer and Mr. John V. Oyler currently performs these two roles. Our Board believes that Mr. John V. Oyler is the director best suited to identify strategic opportunities and focus of the Board due to his extensive understanding of our business as a Co-Founder and our Chief Executive Officer. Our Board also believes that the combined role of Chairman and Chief Executive Officer can promote the effective execution of strategic initiatives and facilitate the flow of information between management and the Board. Our Board will continue to review and consider splitting the roles of Chairman and the Chief Executive Officer at a time when it is appropriate by taking into account the circumstances of our Company as a whole. Our Corporate Governance Guidelines provide the Board with the flexibility to choose the appropriate Board leadership structure of the Company based upon its view of what is in the best interest of the Company. Our Corporate Governance Guidelines also provide that if the same person holds the Chairman and Chief Executive Officer roles or if the Chairman does not otherwise qualify as independent, the independent directors may elect a lead director. Mr. Ranjeev Krishana, an independent non-executive director of the Company, currently serves as the lead director. The Board believes our current Board leadership structure will help ensure continuity of strong and effective leadership. The lead director has responsibilities that are set forth in our Corporate Governance Guidelines, including presiding at meetings of the Board at which the Chairman is not present, including executive sessions of the independent directors; consulting with management regarding Board meeting schedules, locations, agendas, and materials; and calling meetings of the independent and non-management directors, when appropriate.

Our Audit Committee is in compliance with Rule 3.21 of the HK Listing Rules and the Corporate Governance Code, except for the terms of reference required by paragraphs D.3.3 and D.3.7 of the Corporate Governance Code. However, the charter of our Audit Committee complies with the NASDAQ Listing Rules and the rules of the SEC. The primary duties of the Audit Committee are, among other things, to monitor the integrity of our financial statements and our compliance with legal and regulatory requirements as they relate to our financial statements and accounting matters, review the adequacy of our internal control over financial reporting, and review all related party transactions for potential conflict of interest situations and approving all such transactions. As of the date of this announcement, the Audit Committee comprises four independent non-executive directors, namely Ms. Shalini Sharp, Dr. Olivier Brandicourt, Mr. Anthony C. Hooper, Dr. Corazon (Corsee) D. Sanders. Ms. Shalini Sharp, being the chair of the Audit Committee, is appropriately qualified as required under Rules 3.10(2) and 3.21 of the HK Listing Rules. On January 22, 2024, Mr. Thomas Malley resigned from the Board. In connection with his resignation from the Board, Mr. Thomas Malley also resigned from the Audit Committee. Effective as of January 23, 2024, the Board appointed Dr. Olivier Brandicourt as an independent non-executive director to fill the

vacancy arising from the resignation of Mr. Malley. In connection with his appointment to the Board, effective as of January 23, 2024, Dr. Olivier Brandicourt has been appointed to serve as a member of the Audit Committee. Effective as of September 27, 2024, the Board changed the size of the Board from 11 to 12 members and appointed Ms. Shalini Sharp to the Board to fill the vacancy as an independent non-executive director of the Company. In connection with her appointment to the Board, effective as of September 27, 2024, Ms. Shalini Sharp was appointed to serve as a member of the Audit Committee. Effective as of March 1, 2025, Ms. Shalini Sharp has been appointed as the Chair of the Audit Committee. Mr. Anthony C. Hooper ceased to serve as the Chair of the Audit Committee but remains a member of the Audit Committee.

Our compensation committee (the "Compensation Committee") is in compliance with Rule 3.25 of the HK Listing Rules and the Corporate Governance Code, except for the terms of reference required by paragraph E.1.2 of the Corporate Governance Code. However, the charter of the Compensation Committee complies with the NASDAQ Listing Rules. The primary duties of the Compensation Committee are to review and make recommendations to the Board with respect to director compensation, evaluate the performance of our Chief Executive Officer, President, Chief Operating Officer and General Manager of China, and Chief Financial Officer and review and make recommendations to the Board regarding the terms of their compensation, and review and approve the compensation of our other executive officers and senior management, and review and approve matters relating to incentive-based compensation plans and equity-based plans. As of the date of this announcement, the Compensation Committee comprises three independent non-executive directors, namely Dr. Margaret Han Dugan, Mr. Ranjeev Krishana and Mr. Qingqing Yi. Dr. Margaret Han Dugan is the chair of the Compensation Committee.

Our nominating and corporate governance committee (the "Nominating and Corporate Governance Committee") is in compliance with the Corporate Governance Code, except for the terms of reference required by paragraph B.3.1 of the Corporate Governance Code. However, the charter of the Nominating and Corporate Governance Committee complies with the NASDAQ Listing Rules. The primary duties of the Nominating and Corporate Governance Committee are to develop and recommend to the Board criteria for board and committee membership, recommend to the Board the persons to be nominated for election as directors and to each of the Board's committees, and develop and recommend to the Board a set of corporate governance guidelines. During the Reporting Period, our Nominating and Corporate Governance Committee complied with Rule 3.27A of the HK Listing Rules, except following the passing away of Mr. Glazer on October 25, 2024, the chair of our Nominating and Corporate Governance Committee fell vacant which did not meet the requirement under Rule 3.27A of the HK Listing Rules. Effective as of January 16, 2025, the Board appointed Ms. Shalini Sharp, an independent non-executive director of the Company, as a member of the Nominating and Corporate Governance Committee and appointed Mr. Anthony C. Hooper, an independent non-executive director of the Company, as the chair of the Nominating and Corporate Governance Committee. Upon the appointment of Mr. Anthony C. Hooper as the chair of the Nominating and Corporate Governance Committee, the Company has re-complied with Rule 3.27A of the HK Listing Rules in respect of the requirement regarding establishing a nomination committee chaired by the chairman of the board or an independent non-executive director. As of the date of this announcement, the Nominating and Corporate Governance Committee comprises four independent non-executive directors, namely Mr. Anthony C. Hooper, Mr. Michael Goller, Dr. Alessandro Riva and Ms. Shalini Sharp. Mr. Anthony C. Hooper is the chair of the Nominating and Corporate Governance Committee.

Except as disclosed above, the Company has complied with all of the provisions set out in the Corporate Governance Code during the Reporting Period.

The Board will continue to regularly review and monitor its corporate governance practices to ensure compliance with the Corporate Governance Code and maintain a high standard of corporate governance practices of the Company.

Compliance with Policies Equivalent to the Model Code for Securities Transactions by Directors of Listed Issuers

Except as disclosed below, the Company has adopted its own insider dealing policies on terms no less exacting than those in the Model Code for Securities Transactions as set out in Appendix C3 to the HK Listing Rules (the "Model Code") regarding the directors' dealings in the securities of the Company.

Pursuant to Rule B.8 of the Model Code, a director must not deal in any securities of the issuer without first notifying in writing the chairman or a director (otherwise than himself) designated by the board for the specific purpose and receiving a dated written acknowledgement. Under the Company's insider dealing policies, the General Counsel of the Company, has been designated as the insider trading compliance officer whom a director who intends to deal in the Company's securities must notify. Our Board believes that our insider trading compliance officer, despite not being a member of the Board, is able to carry out his duties properly and competently in accordance with the Company's insider dealing policies, the terms of which are otherwise no less exacting than those in the Model Code.

Having made specific enquiry of all the directors, all the directors confirmed that they have strictly complied with the required standards set out in the Company's own insider dealing policies throughout the Reporting Period.

Purchase, Sale or Redemption of the Company's Listed Securities

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's securities listed on the HKEX (including any sale of treasury shares (as defined under the HK Listing Rules)).

Disclosure of Changes in Directors' Information Pursuant to Rule 13.51(B)(1) of the HK Listing Rules

Upon specific enquiry by the Company and following confirmations from the directors, save as disclosed hereunder, there is no change in the information of the directors required to be disclosed pursuant to Rule 13.51B(1) of the HK Listing Rules during the Reporting Period and up to the date of this announcement. The change of the directors' information is set out below:

Directors	Changes in Positions held with the Company
Mr. Thomas Malley	Resigned as an independent non-executive director and a member of the Audit Committee and the Scientific Advisory Committee of the Board effective January 22, 2024.
Dr. Olivier Brandicourt	Appointed as an independent non-executive director and a member of the Audit Committee effective January 23, 2024; appointed as a member of the Commercial and Medical Affairs Advisory Committee of the Board effective March 19, 2024.
Ms. Shalini Sharp	Appointed as an independent non-executive director and a member of the Audit Committee effective September 27, 2024; appointed as a member of the Nominating and Corporate Governance Committee effective January 16, 2025; appointed as the chair of the Audit Committee effective March 1, 2025.
Mr. Donald W. Glazer	Ceased to serve as an independent non-executive director and the chair of the Nominating and Corporate Governance Committee effective October 25, 2024.
Mr. Anthony C. Hooper	Appointed as the chair of the Nominating and Corporate Governance Committee effective January 16, 2025; ceased to serve as the chair of the Audit Committee but remains as a member of the Audit Committee effective March 1, 2025.

Use of Net Proceeds from Amgen

On January 2, 2020, the Company sold 15,895,001 ADSs, representing 206,635,013 ordinary shares of the Company and approximately 20.5% ownership stake in the Company's outstanding shares as at the same date, to Amgen for aggregate cash proceeds of US$2,779,241,000, or US$174.85 per ADS, pursuant to the Amgen SPA (as amended) executed in connection with the Amgen Collaboration Agreement. The subscription price represents: (a) a 36% premium to the 30-day volume weighted average price of the Company's ADSs as of October 30, 2019, the day prior to the date of the Amgen SPA; (b) assuming a conversion rate of US$1.00: HK$7.84, a 26% premium to the closing price of the Company's ordinary shares as quoted on the HKEX on October 31, 2019, the date of the Amgen SPA; and (c) a 26% premium to the closing price of the Company's ADSs on the NASDAQ on October 31, 2019.

The net proceeds from the sale of the shares have been and will be utilized in accordance with the purposes set out in the proxy statement/circular of the Company dated November 29, 2019. The table below sets out the planned applications of the net proceeds and actual usage up to December 31, 2024:

Use of proceeds	Planned applications (US dollars in thousands)	Percentage of total net proceeds (%)	Actual usage up to December 31, 2023 (US dollars in thousands)	Actual usage up to December 31, 2024 (US dollars in thousands)	Unutilized net proceeds as of December 31, 2024 (US dollars in thousands)
To fund business operations[(a)]	2,779,241	100%	2,229,632	2,357,788	421,453

Note (a): To fund the Company's development obligations under the Amgen Collaboration Agreement by contributing cash and development services up to a total cap of approximately US$1.25 billion, the development, manufacturing and commercialization of the Company's internally developed drug candidates, expansion of the Company's commercialization activities, and for future capacity expansion and general corporate use, as appropriate, as previously disclosed in the Company's proxy statement/circular dated November 29, 2019.

The Company plans to gradually utilize the remaining net proceeds in accordance with such intended purposes depending on actual business, which is expected to be fully utilized by 2026. For further details, please refer to the announcements of the Company dated November 1, 2019, December 9, 2019, and January 3, 2020.

Use of Net Proceeds from STAR Offering

On December 15, 2021, the Company completed the STAR Offering on the STAR Market of the SSE. The shares offered in the STAR Offering were issued to and subscribed for by permitted investors in China in Renminbi ("RMB Shares") pursuant to the general mandate to issue shares, which was approved by the shareholders at the Company's 2021 annual general meeting of shareholders held on June 16, 2021. The public offering price of the RMB Shares was RMB192.60 per RMB Share, which equates to HK$234.89 per ordinary share and US$391.68 per ADS. In this offering, the Company sold 115,055,260 RMB Shares. The RMB Shares are not fungible with the ordinary shares of the Company listed on the HKEX or with the ADSs representing the Company's ordinary shares listed on the NASDAQ. Net proceeds after deducting underwriting commission and offering expenses were US$3,392,616,000. The net proceeds from the STAR Offering have been and will be utilized in accordance with the purposes set out in the prospectus of the STAR Offering (the "STAR Prospectus"), including (i) clinical development and research project, (ii) research and development center construction, (iii) bio-manufacturing plant construction, (iv) sales and marketing force expansion, and (v) working capital and general corporate purposes. On November 10, 2023, the Board approved to adjust the amount of proceeds to be invested in each subcategory projects under the "clinical development and research project". As required by the PRC securities laws, the net proceeds from the STAR Offering must be used in strict compliance with the planned uses as disclosed in the STAR Prospectus as well as the Company's proceeds management policy for the STAR Offering approved by the Board.

For details, please refer to the Company's announcements dated November 16, 2020, January 29, 2021, April 20, 2021, May 14, 2021, June 1, 2021, June 21, 2021, June 28, 2021, June 30, 2021, July 9, 2021, July 28, 2021, October 15, 2021, November 16, 2021, November 23, 2021, November 24, 2021, November 29, 2021, November 30, 2021, December 2, 2021, December 6, 2021, December 7, 2021, December 13, 2021, December 21, 2021, December 28, 2021, April 29, 2022, June 27, 2022, August 30, 2022, September 28, 2022, April 25, 2023, August 29, 2023, November 13, 2023, April 26, 2024, August 29, 2024, November 12, 2024 and the circular dated April 30, 2021 of the Company.

As of December 31, 2024, net proceeds amounting to RMB17.9 billion had been utilized, and the remaining RMB3.7 billion will be gradually utilized in accordance with such intended purposes depending on actual business needs, and are expected to be fully utilized within five years after the completion of STAR Offering. The table below sets out the planned applications of the net proceeds and actual usage up to December 31, 2024:

Use of proceeds	**Planned applications RMB'000**	**Actual usage up to December 31, 2023 RMB'000**	**Actual usage up to December 31, 2024 RMB'000**	**Unutilized net proceeds as of December 31, 2024 RMB'000**
Clinical Development and Research Projects	13,245,940	7,169,470	10,045,510	3,200,430
R&D Center Construction	467,700	434,188	485,741	(18,041)*
Bio-Manufacture Plant Construction	150,000	153,451	153,451	(3,451)*
Sales & Marketing Force Expansion	136,360	110,240	143,560	(7,200)*
Replenishment of Working Capital	6,000,000	4,832,281	5,624,969	375,031
Excess of Proceeds	1,630,155	978,000	1,467,000	163,155
Total	21,630,155	13,677,630	17,920,231	3,709,924

* The excess over the planned applications for R&D Center Construction, Bio-Manufacture Plant Construction and Sales & Marketing Force Expansion were provided by interest income from the STAR Offering proceeds.

Audit Committee Review of Financial Statements

Our Audit Committee reviews the adequacy of our internal controls to ensure that our internal control system is effective in identifying, managing and mitigating risks involved in our business operations. As of the date of this announcement, the Audit Committee consists of four independent non-executive directors, namely Ms. Shalini Sharp, Dr. Olivier Brandicourt, Mr. Anthony C. Hooper and Dr. Corazon (Corsee) D. Sanders. Ms. Shalini Sharp, being the chair of the Audit Committee, is appropriately qualified as required under Rules 3.10(2) and 3.21 of the HK Listing Rules. On January 22, 2024, Mr. Thomas Malley resigned from the Board. In connection with his resignation from the Board, Mr. Malley also resigned from the Audit Committee. Effective as of January 23, 2024, the Board appointed Dr. Olivier Brandicourt as an independent non-executive director to fill the vacancy arising from the resignation of Mr. Malley. In connection with his appointment to the Board, effective as of January 23, 2024, Dr. Olivier Brandicourt was appointed to serve as a member of the Audit Committee. Effective as of September 27, 2024, the Board changed the size of the Board from 11 to 12 members and appointed Ms. Shalini Sharp to the Board to fill the vacancy as an independent non-executive director of the Company. In connection with her appointment to the Board, effective as of September 27, 2024, Ms. Shalini Sharp was appointed to serve as a member of the Audit Committee. Effective as of March 1, 2025, Ms. Shalini Sharp has been appointed as the Chair of the Audit Committee. Mr. Anthony C. Hooper ceased to serve as the Chair of the Audit Committee but remains a member of the Audit Committee.

The Audit Committee has reviewed the consolidated financial statements and annual results of the Company for the year ended December 31, 2024. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control with members of senior management and the external auditor of the Company, Ernst & Young.

Scope of Work of the Company's auditor

The figures contained in this announcement of our Company's consolidated annual results for the year ended December 31, 2024, have been agreed by the Company's auditor, Ernst & Young, to the figures set out in the consolidated financial statements of our Company for the year ended December 31, 2024. The Company's auditor performed this work in accordance with Hong Kong Standard on Related Services 4400 Engagements to Perform Agreed-upon Procedures Regarding Financial Information and with reference to Practice Note 730 (Revised) Guidance for Auditors Regarding Preliminary Announcements of Annual Results ("PN 730") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The work performed by the Company's auditor in this respect does not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and, consequently, no assurance has been expressed by the Company's auditor in this announcement.

Other Board Committees

In addition to the Audit Committee, the Company has a Nominating and Corporate Governance Committee, a Compensation Committee, a Scientific Advisory Committee and a Commercial and Medical Affairs Advisory Committee.

Important Events after the Reporting Period

Effective January 16, 2025, Ms. Shalini Sharp has been appointed as a member of the Nominating and Corporate Governance Committee and Mr. Anthony C. Hooper has been appointed as the chair of the Nominating and Corporate Governance Committee.

Effective March 1, 2025, Ms. Shalini Sharp has been appointed as the Chair of the Audit Committee. Mr. Anthony C. Hooper ceased to serve as the Chair of the Audit Committee but remains a member of the Audit Committee.

On March 10, 2025, the Company announced the expected timetable of the proposed change of domicile and continuation in Switzerland, the proposed adoption of the articles of association of the Company in compliance with the laws of Switzerland, the proposed election of Ernst & Young AG, Zurich, Switzerland, as the Swiss statutory auditor of the Company and approval of its related audit services and remuneration and published the circular with notice of the relevant extraordinary general meeting of the Company and form of proxy.

Save as disclosed above, no important events affecting the Company occurred since December 31, 2024 and up to the date of this announcement.

Publication of Annual Results and Annual Report

This annual results announcement is published on the website of the HKEX (www.hkexnews.hk) and the website of the Company (www.beigene.com). The annual report of the Company for the year ended December 31, 2024 will be published on the aforesaid websites in due course.

By order of the Board
BeiGene, Ltd.
Mr. John V. Oyler
Chairman

Hong Kong, March 27, 2025

As of the date of this announcement, the Board of Directors of the Company consists of Mr. John V. Oyler as Chairman and Executive Director, Dr. Xiaodong Wang as Non-executive Director, and Dr. Olivier Brandicourt, Dr. Margaret Han Dugan, Mr. Michael Goller, Mr. Anthony C. Hooper, Mr. Ranjeev Krishana, Dr. Alessandro Riva, Dr. Corazon (Corsee) D. Sanders, Ms. Shalini Sharp and Mr. Qingqing Yi as Independent Non-executive Directors.