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WUXI BIOLOGICS (CAYMAN) INC.
藥明生物技術有限公司*
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2269)

CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE PAYLOAD-LINKERS MASTER SERVICES AGREEMENTS

THE PAYLOAD-LINKERS MASTER SERVICES AGREEMENTS

Reference is made to (1) the XDC Prospectus; and (2) the announcement of the Company dated March 31, 2024 in relation to, among others, the 2023 Payload-Linkers Master Services Agreement dated November 3, 2023 for the research, development and manufacturing services in relation to payload-linkers and supply of the related intermediate products provided to the XDC Group for use in its ADC CRDMO services.

Driven by rapid industry expansion, the demand for the Group's ADC CRDMO services continues to grow significantly. It is expected that the demand for the XDC Group's services will further increase as its business has continued its upward trajectory in 2025. In consideration of the strong performance of XDC and its latest unaudited condensed consolidated interim results of the XDC Group for the six months ended June 30, 2025, it is anticipated that the transaction amounts for the 2023 Payload-Linkers Master Services Agreement will exceed its original annual cap for 2025 and therefore, it is proposed to adopt the revised annual cap with respect to the 2023 Payload-Linkers Master Services Agreement. Further, as the 2023 Payload-Linkers Master Services Agreement will expire on December 31, 2025, XDC proposes to enter into the 2026 Payload-Linkers Master Services Agreement to renew the 2023 Payload-Linkers Master Services Agreement for a further term of three years, subject to the approval of the independent shareholders of XDC at its extraordinary general meeting to be convened and held.

LISTING RULES IMPLICATIONS

As at the date of this announcement, STA Pharmaceutical is a substantial shareholder of XDC and is a connected person of the Company at the subsidiary level. Accordingly, the Payload-Linkers Master Services Agreements and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio is more than 1% but less than 5%, (i) the revised annual cap for the 2023 Payload-Linkers Master Services Agreement; and (ii) the 2026 Payload-Linkers Master Services Agreement are subject to reporting and announcement requirements but are exempt from the circular, independent financial advice and shareholders' approval requirements under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.101 of the Listing Rules, as (i) the Payload-Linkers Master Services Agreements are transactions entered into between the Group and a connected person at the subsidiary level; (ii) the Payload-Linkers Master Services Agreements were entered into by and between the parties on normal commercial terms and in the ordinary and usual course of business of the Group; (iii) the Board (including the independent non-executive Directors) have approved the Payload-Linkers Master Services Agreements and transactions contemplated thereunder, and confirmed that the terms of the Payload-Linkers Master Services Agreements are fair and reasonable, and the transactions contemplated thereunder are on normal commercial terms and in the interests of the Company and its shareholders as a whole, the Payload-Linkers Master Services Agreements and the transactions contemplated thereunder are subject to the reporting and announcement requirements but are exempt from the circular, independent financial advice and shareholders' approval requirements under Chapter 14A of the Listing Rules.

BACKGROUND

Reference is made to (1) the XDC Prospectus; and (2) the announcement of the Company dated March 31, 2024 in relation to, among others, the 2023 Payload-Linkers Master Services Agreement dated November 3, 2023 for the research, development and manufacturing services in relation to payload-linkers and supply of the related intermediate products provided to the XDC Group for use in its ADC CRDMO services.

Driven by rapid industry expansion, the demand for the Group's ADC CRDMO services continues to grow significantly. It is expected that the demand for the XDC Group's services will further increase as its business has continued its upward trajectory in 2025. In consideration of the strong performance of XDC and its latest unaudited condensed consolidated interim results of the XDC Group for the six months ended June 30, 2025, it is anticipated that the transaction amounts for the 2023 Payload-Linkers Master Services Agreement will exceed its original annual cap for 2025 and therefore, it is proposed to adopt the revised annual cap with respect to the 2023 Payload-Linkers Master Services Agreement. Further, as the 2023 Payload-Linkers Master Services Agreement will expire on December 31, 2025, XDC proposes to enter into the 2026 Payload-Linkers Master Services Agreement to renew the 2023 Payload-Linkers Master Services Agreement for a further term of three years, subject to the approval of the independent shareholders of XDC at its extraordinary general meeting to be convened and held.

REVISED ANNUAL CAP FOR THE 2023 PAYLOAD-LINKERS MASTER SERVICES AGREEMENT

Term

The 2023 Payload-Linkers Master Services Agreement is effective from November 17, 2023 to December 31, 2025, and is renewable for a term of three years upon mutual consents and subject to the requirements under the Listing Rules and other applicable laws and regulations.

Historical transaction amounts

For the year ended December 31, 2024 and the six months ended June 30, 2025, the total amount incurred by the XDC Group for the Payload-linkers Services was RMB142.6 million*(Note 1)* and RMB56.5 million*(Note 2)*, respectively.

Notes:

(1) Based on the audited consolidated financial statements of the XDC Group for the year ended December 31, 2024.

(2) Based on the unaudited condensed consolidated financial statements of the XDC Group for the six months ended June 30, 2025.

Original annual cap and revised annual cap

For the year ending December 31, 2025, in respect of the total amount payable by the XDC Group under the 2023 Payload-Linkers Master Services Agreement, the original annual cap shall not exceed RMB168.0 million and the revised annual cap shall not exceed RMB200.0 million.

The revised annual cap for the year ending December 31, 2025 concerning the 2023 Payload-Linkers Master Services Agreement is determined with reference to: (i) the historical transaction amounts paid by the XDC Group for the payload-linkers related services under the 2023 Payload-Linkers Master Services Agreement; (ii) the expected overall business growth of the XDC Group and increase in demand for ADC CRDMO services from its clients for the second half of 2025; and (iii) the expected increase in the XDC Group's manufacturing capacity in relation to payload-linkers.

Reasons for and benefits of revision of the original annual cap for the 2023 Payload-Linkers Master Services Agreement

The global ADC's rapid growth has driven strong demand for the XDC Group's ADC CRDMO services, which has translated into increased demand for payload-linkers-related services. The XDC Group has been constantly expanding its in-house payload-linker manufacturing capacity through facilities in Wuxi and Changzhou as well as the newly launched technology platforms (WuXiTecan-1 and WuXiTecan-2). In line with its manufacturing strategy, the XDC Group prioritizes deploying its in-house capacity in the first half of the year to fulfil client demands. However, given the rapid pace of growth in clients' demand for the payload-linkers-related services, the current capacity remains insufficient to fulfill all such clients' demand, and hence in the second half of the year, the XDC Group has to supplement with external sourcing in light of its anticipated strong growth in the demand for payload-linkers-related services.

THE 2026 PAYLOAD-LINKERS MASTER SERVICES AGREEMENT

As the 2023 Payload-Linkers Master Services Agreement will expire on December 31, 2025, the 2026 Payload-Linkers Master Services Agreement was entered into on September 2, 2025 to renew the 2023 Payload-Linkers Master Services Agreement for a further term of three years and will be effective on January 1, 2026, subject to the approval of the independent shareholders of XDC at its extraordinary general meeting to be convened and held.

Term

The 2026 Payload-Linkers Master Services Agreement is effective from January 1, 2026 to December 31, 2028, and is renewable for a term of three years upon mutual consents and subject to the requirements under the Listing Rules and other applicable laws and regulations.

Pricing policy

The service fees charged to the XDC Group will be at rates no less favorable than the rates charged by the WXAT Group to independent third parties for comparable transactions, and will be determined by the parties through arm's length negotiation based on standard pricing schedule used by the WXAT Group for all its customers. When determining the prices set out in the standard pricing schedule, a number of factors that are relevant to the services provided are being taken into account including, but not limited to: (i) the nature, scale, frequency and value of the relevant research and development and manufacturing services; (ii) the complexity of tasks completed at each stage under each work order; (iii) the resources spent on providing specific services; and (iv) the fees charged for historical transactions of similar nature and the then prevailing market rates. The pricing policy for the Payload-Linkers Master Services Agreement will continue to be supervised and monitored by the management and the relevant personnel of the XDC Group to ensure the transactions contemplated thereunder are conducted on normal commercial terms and will be in the interests of the Company and its shareholders as a whole.

Historical transaction amounts

For each of the two years ended December 31, 2023 and 2024 and the six months ended June 30, 2025, the total amount incurred by the XDC Group for the Payload-linkers Services was RMB148.1 million[(Note 1)], RMB142.6 million[(Note 2)] and RMB56.5 million[(Note 3)], respectively.

Notes:

(1) Based on the audited consolidated financial statements of the XDC Group for the year ended December 31, 2023.

(2) Based on the audited consolidated financial statements of the XDC Group for the year ended December 31, 2024.

(3) Based on the unaudited condensed consolidated financial statements of the XDC Group for the six months ended June 30, 2025.

Annual caps

For each of the three years ending December 31, 2026, 2027 and 2028, the total amount payable by the XDC Group under the Payload-Linkers Master Services Agreement shall not exceed RMB300.0 million, RMB400.0 million and RMB400.0 million, respectively.

The aforesaid proposed annual caps are determined by reference to: (i) the historical transaction amounts paid by the XDC Group to the WXAT Group for the Payload-linkers Services under the 2023 Payload-Linkers Master Services Agreement; (ii) the expected overall business growth of the XDC Group and increase in demand for ADC CRDMO services from clients for the future three years ending December 31, 2028; and (iii) the expected increase in the XDC Group's manufacturing capacity in relation to payload-linkers.

Reasons for and benefits of the 2026 payload-linkers master services agreement

The XDC Group continues to benefit from the impressive growth of the global ADC market and such growth will translate into increased demand for payload-linkers-related services. Given that the payload-linkers-related services provided to the XDC Group in connection with the 2023 Payload-linkers Master Services Agreement have in the past proven to be uninterrupted and trustworthy, the Company believes that it is in the interests of the XDC Group to continue to procure payload-linkers-related services under the Payload-linkers Master Services Agreements.

INFORMATION OF THE PARTIES

The Group is a global biologics CRDMO offering end-to-end solutions for biologics discovery, development and manufacturing. The WXAT Group is a global pharmaceutical research and development services platform engaged in the business of discovery, development and manufacturing of innovative pharmaceuticals.

The XDC Group is a CRDMO focused on the global ADC and broader bioconjugate market and dedicated to providing integrated and comprehensive services.

LISTING RULES IMPLICATIONS

As at the date of this announcement, STA Pharmaceutical is a substantial shareholder of XDC and is a connected person of the Company at the subsidiary level. Accordingly, the Payload-Linkers Master Services Agreements and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio is more than 1% but less than 5%, (i) the revised annual cap for the 2023 Payload-Linkers Master Services Agreement; and (ii) the 2026 Payload-Linkers Master Services Agreement are subject to reporting and announcement requirements but are exempt from the circular, independent financial advice and shareholders' approval requirements under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.101 of the Listing Rules, as (i) the Payload-Linkers Master Services Agreements are transactions entered into between the Group and a connected person at the subsidiary level; (ii) the Payload-Linkers Master Services Agreements were entered into by and between the parties on normal commercial terms and in the ordinary and usual course of business of the Group; (iii) the Board (including the independent non-executive Directors) have approved the Payload-Linkers Master Services Agreements and transactions contemplated thereunder, and confirmed that the terms of the Payload-Linkers Master Services Agreements are fair and reasonable, and the transactions contemplated thereunder are on normal commercial terms and in the interests of the Company and its shareholders as a whole, the Payload-Linkers Master Services Agreements and the transactions contemplated thereunder are subject to the reporting and announcement requirements but are exempt from the circular, independent financial advice and shareholders' approval requirements under Chapter 14A of the Listing Rules.

Dr. Zhisheng Chen and Mr. Kenneth Walton Hitchner III, who are directors of the Company and XDC, have abstained from voting on the relevant Board resolutions approving the Payload-Linkers Master Services Agreements. Save as disclosed above, none of the other Directors has, or is considered to have, any material interests in the transactions contemplated under the Payload-Linkers Master Services Agreements.

DEFINITIONS

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

"2023 Payload-Linkers Master Services Agreement"	the payload-linkers master services framework agreement entered into between XDC and WXAT on November 3, 2023, pursuant to which the XDC Group has engaged the WXAT Group to provide research and development and manufacturing services in relation to payload-linkers and supply the related intermediate products to the XDC Group for use in its ADC CRDMO services
"2026 Payload-Linkers Master Services Agreement"	the payload-linkers master services framework agreement entered into between XDC and WXAT on September 2, 2025, pursuant to which the XDC Group has engaged the WXAT Group to provide research and development and manufacturing services in relation to payload-linkers and supply the related intermediate products to the XDC Group for use in its ADC CRDMO services
"ADC"	antibody-drug conjugate
"Board"	the board of Directors of the Company
"Company"	WuXi Biologics (Cayman) Inc. (藥明生物技術有限公司*), an exempted company incorporated in the Cayman Islands with limited liability on February 27, 2014
"connected person(s)"	has the meaning ascribed to it in the Listing Rules
"CRDMO"	Contract Research, Development and Manufacturing Organization
"Director(s)"	director(s) of the Company
"Group"	the Company and its subsidiaries
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time

"Payload-Linkers Master Services Agreements"	2023 Payload-Linkers Master Services Agreement and 2026 Payload-Linkers Master Services Agreement
"Payload-Linkers Services"	the provision of research and development and manufacturing services in relation to payload-linkers and supply of the related intermediate products by the WXAT Group to the XDC Group for use in its ADC CRDMO services
"RMB"	Renminbi, the lawful currency of the People's Republic of China
"STA Pharmaceutical"	STA Pharmaceutical Hong Kong Investment Limited (合全藥業香港投資有限公司), a limited liability company incorporated in Hong Kong on November 30, 2020, a substantial shareholder of XDC and a non-wholly owned subsidiary of WXAT as at the date of this announcement
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"WXAT"	WuXi AppTec Co., Ltd.* (無錫藥明康德新藥開發股份有限公司), a joint stock company incorporated with limited liability in the People's Republic of China on December 1, 2000 and the shares of which are listed on Shanghai Stock Exchange (stock code: 603259) and the Main Board of the Stock Exchange (stock code: 2359), is a global pharmaceutical research and development services platform engaged in the business of discovery, development and manufacturing of innovative pharmaceuticals and an associate of a connected person of the Company at the subsidiary level as at the date of this announcement
"WXAT Group"	WXAT and its subsidiaries
"XDC"	WuXi XDC Cayman Inc. (藥明合聯生物技術有限公司*), an exempted company incorporated under the laws of the Cayman Islands with limited liability on December 14, 2020, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 2268) and a non-wholly owned subsidiary of the Company as at the date of this announcement

"XDC Group"	XDC and its subsidiaries
"XDC Prospectus"	the prospectus issued by XDC dated November 7, 2023
"%"	per cent.

By order of the Board
WuXi Biologics (Cayman) Inc.
Dr. Ge Li
Chairman

Hong Kong, September 2, 2025

As at the date of this announcement, the Board comprises Dr. Zhisheng Chen and Dr. Sherry Xuejun Gu as executive Directors; Dr. Ge Li, Mr. Yanling Cao and Ms. Jingwen Miao as non-executive Directors; and Mr. William Robert Keller, Mr. Kenneth Walton Hitchner III, Mr. Jackson Peter Tai and Dr. Jue Chen as independent non-executive Directors.

* *For identification purpose only*