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WUXI XDC CAYMAN INC.

藥明合聯生物技術有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2268)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Sole Overall Coordinator, Sole Global Coordinator and Sole Bookrunner

Morgan Stanley

PLACING OF NEW SHARES UNDER GENERAL MANDATE

On September 2, 2025 (after trading hours of the Stock Exchange), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a fully underwritten basis, up to 22,277,000 Placing Shares at the Placing Price of HK\$58.85 per Placing Share to not less than six Placees, who and whose ultimate beneficial owners are Independent Third Parties. The maximum gross proceeds from the Placing will be approximately HK\$1,311.00 million. The Placing Shares will be issued and allotted pursuant to the General Mandate.

Assuming that there will be no change in the issued share capital of the Company (including that no Shares will be issued and allotted in respect of share options and/or share awards granted under the Share Schemes) between the dates of this announcement and the completion of the Placing, the maximum number of the Placing Shares under the Placing represents (i) approximately 1.85% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 1.82% of the issued share capital of the Company as enlarged by the issue and allotment of the Placing Shares.

APPLICATION FOR LISTING

Application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

Since completion of the Placing is subject to the fulfilment of the conditions as set out in the Placing Agreement, the Placing may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

PLACING OF NEW SHARES UNDER GENERAL MANDATE

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THE PLACING AGREEMENT

Date : September 2, 2025 (after trading hours of the Stock Exchange)

Parties : (1) the Company; and
(2) the Placing Agent.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Placing Agent is an Independent Third Party.

Placing Shares

Assuming that there will be no change in the issued share capital of the Company (including that no Shares will be issued and allotted in respect of share options and/or share awards granted under the Share Schemes) between the dates of this announcement and the completion of the Placing, the maximum number of the Placing Shares under the Placing represents (i) approximately 1.85% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 1.82% of the issued share capital of the Company as enlarged by the issue and allotment of the Placing Shares. The aggregate nominal value of the maximum number of the Placing Shares is US\$1,113.85.

Ranking of Placing Shares

The Placing Shares under the Placing will rank, upon issue and allotment, *pari passu* in all respects with the Shares in issue as at the date of issue and allotment of the Placing Shares.

Placing Price

The Placing Price is HK\$58.85 per Placing Share and represents:

- (i) a discount of approximately 4.00% to the closing price of HK\$61.30 per Share as quoted on the Stock Exchange on the Last Trading Date; and
- (ii) a premium of approximately 2.87% to the average closing price of HK\$57.21 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Date.

The Placing Price is exclusive of applicable brokerage, trading fees, transaction fees and levies.

The Placing Price was determined after arm's length negotiations between the Company and the Placing Agent with reference to the prevailing market prices of the Shares. The Directors (including the independent non-executive Directors) are of the view that the Placing Price and the terms of the Placing Agreement are fair and reasonable under the current market conditions, and are in the interests of the Company and its Shareholders as a whole.

Placees

The Placing Shares will be placed by the Placing Agent to not less than six Placees. The Placees will be professional, institutional, and/or other investors. It is expected that none of the Placees will become a substantial shareholder of the Company immediately after completion of the Placing.

General Mandate to issue and allot the Placing Shares

The Placing Shares will be issued and allotted pursuant to the General Mandate. The maximum number of Shares that can be issued under the General Mandate is 240,604,318 Shares. As at the date of this announcement, no Shares have been allotted and issued under the General Mandate. Accordingly, the issue of the Placing Shares is not subject to any further approval of the Shareholders. The General Mandate will be utilized as to approximately 9.26% upon the issue and allotment of the 22,277,000 Placing Shares.

Conditions of the Placing

Completion of the Primary Placing is conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Primary Placing Shares pursuant to the Primary Placing Agreement (and such listing and permission not subsequently being revoked prior to the delivery of definitive share certificate(s) representing the Primary Placing Shares pursuant to the Primary Placing Agreement).

Completion of the Placing

Completion of the Placing shall take place on the Business Day after the date of fulfilment of the above conditions or on such other date as the parties may agree in writing.

Lock-up Undertaking

The Company has undertaken to the Placing Agent that, except the Shares to be issued under the Share Schemes and pursuant to the terms of the Placing Agreement, for a period from the date of the Placing Agreement up to three months after the Placing Closing Date, neither the Company nor any person acting on its behalf will (i) sell, transfer, dispose, allot or issue or offer to sell, transfer, dispose, allot or issue or grant any option, right or warrant to subscribe (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Shares or any interests in Shares or any securities convertible into or exercisable or exchangeable for or substantially similar to any Shares or interest in Shares or (ii) agree (conditionally or unconditionally) to enter into or effect any such transaction with the same economic effect as any of the transactions described in (i) above or (iii) announce any intention to enter into or effect any such transaction described in (i) or (ii) above without first having obtained the written consent of the Placing Agent.

Termination of the Placing Agreement

The Placing Agent may terminate the Placing Agreement without any liability to the Company by giving a notice in writing to the Company at any time prior to 8.00 a.m. (Hong Kong time) on the Placing Closing Date upon occurrence of any of the following events:

- (i) there develops, occurs or comes into force:
 - (a) any new law or regulation or any change (whether or not permanent) or development (whether or not permanent) involving a prospective change in existing laws or regulations or the interpretation or application thereof by any court or other competent authority which in the sole opinion of the Placing Agent is or is likely to be materially adverse to the success of the Placing; or makes or is likely to make it impracticable or inadvisable or inexpedient to proceed therewith; or
 - (b) any event, or series of events beyond the reasonable control of the Placing Agent (including, without limitation, any calamity, act of government, strike, labour dispute, lock-out, fire, explosion, flooding, earthquake, civil commotion, economic sanctions, epidemic, pandemic, outbreak of infectious disease, outbreak or escalation of hostilities, act of terrorism and act of God) involving Hong Kong, the PRC, the Cayman Islands, the United Kingdom, the European Union or the United States, or the declaration by Hong Kong, the PRC, the Cayman Islands, the United Kingdom, the European Union or the United States of war or a state of emergency or calamity or crisis; or

- (c) any change or development in local, national or international financial, political, economic, legal, military, industrial, fiscal, regulatory, currency or market conditions (including, without limitation, conditions in the stock and bond markets, money and foreign exchange markets, interbank markets and credit markets), which in the sole opinion of the Placing Agent is or is likely to be materially adverse to the success of the Placing; or makes or is likely to make it impracticable or inadvisable or inexpedient to proceed therewith; or
 - (d) any change or development in local, national or international securities market conditions or currency exchange rates or exchange controls which in the sole opinion of the Placing Agent is or is likely to be materially adverse to the success of the Placing; or makes or is likely to make it impracticable or inadvisable or inexpedient to proceed therewith; or
 - (e) any suspension of dealings in the Shares for the period commencing upon the execution of the Placing Agreement and terminating at 8:00 a.m. (Hong Kong time) on the Placing Closing Date (or such later time and date as the Company and the Placing Agent may agree in writing) whatsoever (other than as a result of the Placing); or
 - (f) any moratorium, suspension, restriction or limitation on trading in shares or securities generally on the Stock Exchange, the New York Stock Exchange, the NASDAQ Global Market, the New York Stock Exchange Amex Equities, the London Stock Exchange, the Singapore Stock Exchange or the Tokyo Stock Exchange due to exceptional financial circumstances or otherwise at any time prior to the Placing Closing Date; or
- (ii) (A) any breach of any of the representations, warranties and undertakings by the Company under the Placing Agreement comes to the knowledge of the Placing Agent; (B) any event occurs or any matter arises on or after the date of the Placing Agreement and prior to the completion of the Placing on the Closing Date which if it had occurred or arisen before the date of the Placing Agreement would have rendered any of the representations, warranties and undertakings set out in the Placing Agreement untrue or incorrect in any respect and any such breach or failure is material or (in the sole opinion of the Placing Agent) is or would materially and adversely affect the financial position or business of the Company and/or of the Group as a whole or is or would be materially adverse to the success of the Placing; or (C) there has been a breach of, or failure to perform, any other provision of the Placing Agreement in any material respect on the part of the Company; or
- (iii) there is any change, or any development involving a prospective change, in or affecting the business, general affairs, management, prospects, assets and liabilities, shareholders' equity, results of operations or position, financial or otherwise, of the Group (other than those already disclosed to the public on or before the date of the Placing Agreement) as a whole which in the sole opinion of the Placing Agent is or is likely to be materially adverse to the success of the Placing or makes or is likely to make it impracticable or inadvisable or inexpedient to proceed therewith.

In the event that the Placing Agent terminates the Placing Agreement, the obligations of the parties under the Placing Agreement shall cease and determine, and no party shall have any claim against the other party in respect of any matter in connection with the Placing Agreement save for any antecedent breach or liabilities as specified under the Placing Agreement.

Application for Listing of the Placing Shares

Application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

REASONS FOR AND BENEFITS OF THE PLACING AND USE OF PROCEEDS

Driven by the industry's sustained investments in research and development, inelastic demand for outsourcing, and rapid expansion into other bioconjugates modalities, general demand for the Group's XDC CRDMO services continues to grow significantly. Particularly, the Group's CRDMO business experienced robust growth throughout 2024 and the first half of 2025, as demonstrated by the fact that the Group's revenue and net profit attributable to owners of the Company for the year ended December 31, 2024 were 90.8% and 277.2% higher, respectively, than the corresponding amounts for the year ended December 31, 2023, and the business has continued its upward trajectory in 2025, as demonstrated by the fact that the Group's revenue and net profit attributable to owners of the Company for the six months ended June 30, 2025 were 62.2% and 52.7% higher, respectively, than the corresponding period amounts for the six months ended June 30, 2024.

In order to capture the new business opportunities emerging to the Company due to the rapidly increasing demand for discovery, development and manufacturing of bioconjugates globally, the Group must not merely continue to ensure the effective execution of its "enable, follow and win the molecule" strategy, but also crucially to substantially expand its capabilities and manufacturing capacity. The GMP release of the XDP3 facility, the Wuxi site expansion (including the ongoing construction of the XDP5 facility) and the construction of the new site in Singapore by the Group are progressing robustly as planned, which will bring additional capacity to the Group upon completion. All these have given rise to significant capital commitments for the Group. Further, despite the Group's dedication and efforts to expanding its capacity, it is foreseen that the currently planned investments on capital expenditures will remain insufficient to fully meet the surging client demand for its CRDMO services. Accordingly, it is essential for the Company to raise additional capital to continuously expand the capacity of the Group so to secure a stable, uninterrupted and trusted source of supply to safeguard continuity of the Group's services and client satisfaction, but also seize market opportunities, enhance market share within the industry and to maintain an industry-leading position.

The gross proceeds from the Placing are expected to be HK\$1,311.00 million (equivalent to approximately US\$168.00 million) on the assumption that the Placing Shares are fully placed. The net proceeds from the Placing (after deducting all applicable costs and expenses, including commission and levies) will be approximately HK\$1,300.68 million (equivalent to approximately US\$166.67 million), and the net price per Placing Share will be approximately HK\$58.39.

The Company intends to apply the total net proceeds from the Placing as follows:

- (i) approximately 90% will be used for further expansion of the Group's service capability and capacity including, but not limited to, its production capacity in relation to clinical and commercial manufacturing for bioconjugates, drug substances and products. In particular:
 - With operation expected to commence at the Singapore site by mid-2026, the Group will continue to implement its expansion plan in Singapore that will allow further integration of manufacturing functions, expedite timelines and facilitate quality assurance, enabling the Group to keep pace with the growing global demand for bioconjugate CRDMO services;
 - At the same time, the Group is undergoing additional expansion of its capacity at the Wuxi site, with XDP3 and XDP5 currently under construction and expected to commence operation respectively in the second quarter this year and in 2027. Additionally, the Group is also in the process of formulating plans for further expansion in new areas around the Wuxi region in China; and
 - Meanwhile, the Group is also actively exploring other expansion opportunities in various countries to further boost its much-needed production capacity. Apart from construction and expansion of the existing facilities, the Group is in the process of identifying suitable strategic alliances, investment and acquisition opportunities to further enhance its capabilities and capacity. As of the date of this announcement, it has not yet identified any concrete acquisition target; and
- (ii) approximately 10% will be used for the Group's working capital needs and general corporate purposes.

The Directors believe that the Placing represents a good opportunity for the Company to raise further capital to support the Group's continuous development and business growth and to introduce high calibre investors to enrich its shareholder base. The Directors have also considered alternative fundraising methods such as bank borrowings or rights issue. However, bank borrowing will increase the interest burden of the Group and rights issue is relatively more time consuming. Moreover, the Company is of the view that the Placees with whom the Placing Shares have been placed are mostly high-quality and long-term investors, and that the Company derives a significant advantage from introducing them into its shareholder base. In light of the above, the Directors (including the independent non-executive Directors) are of the view that the terms of the Placing Agreement (which is entered into on normal commercial terms following arm's length negotiations among the parties) are fair and reasonable and are in the interests of the Company and its Shareholders as a whole.

EQUITY FUNDRAISING ACTIVITIES OF THE COMPANY DURING THE PAST 12 MONTHS

The Company has not conducted any fundraising activities involving the issue of its equity securities in the 12 months immediately preceding the date of this announcement.

EFFECT OF SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (a) as at the date of this announcement; and (b) immediately after completion of the Placing are set out below:

Name of Shareholder	As at the date of this announcement		Immediately after completion of the Placing	
	No. of Shares	<i>Approximate percentage of the issued share capital of the Company</i>	No. of Shares	<i>Approximate percentage of the issued share capital of the Company</i>
WuXi Biologics (Cayman) Inc.	611,350,500	50.73%	611,350,500	49.81%
STA Pharmaceutical Hong Kong Investment Limited	263,200,000	21.84%	263,200,000	21.45%
Dr. Zhisheng Chen	418,878	0.03%	418,878	0.03%
The Placees	—	—	22,277,000	1.82%
Other Public Shareholders	<u>330,056,163</u>	<u>27.39%</u>	<u>330,056,163</u>	<u>26.89%</u>
Total	<u><u>1,205,025,541</u></u>	<u><u>100%</u></u>	<u><u>1,227,302,541</u></u>	<u><u>100%</u></u>

Notes:

- (1) This table does not take into account any Shares that may be issued in respect of any share options and/or share awards granted under the Share Schemes during the relevant period or time above-mentioned.
- (2) The percentages of the shareholding in the table above may not add up to 100% due to rounding.

As at the date of this announcement, the total number of issued Shares is 1,205,025,541 Shares. Further, there are 107,250,868 outstanding share options with an exercise price of RMB1.658 to RMB6.900 per share option (equivalent to approximately HK\$1.848 to HK\$7.567 per share option) which entitle the holders of such share options to subscribe for 107,250,868 Shares under the Share Schemes and 10,088,124 outstanding share awards which entitle the holders of such share awards to 10,088,124 underlying Shares under the Share Schemes. Save as disclosed above, as at the date of this announcement, the Company has no other outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares.

Since completion of the Placing is subject to the fulfilment of the conditions as set out in the Placing Agreement, the Placing may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

DEFINITIONS

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

“AGM”	the annual general meeting of the Company held on June 27, 2025
“antibody drug conjugate(s)” or “ADC(s)”	an emerging class of highly potent biopharmaceutical drugs designed as a targeted therapy combining the specific targeting capabilities of monoclonal antibodies with the cancer-killing ability of cytotoxic drugs for the treatment of cancer
“Board”	the board of directors of the Company
“Business Day(s)”	any day (not being a Saturday, Sunday or public holiday in Hong Kong or any day on which a tropical cyclone warning no. 8 or above or a black rainstorm warning signal is issued in Hong Kong at any time between 9:00 a.m. and 5:00 p.m. on weekdays) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours and the Stock Exchange is open for business of dealing in securities throughout its normal trading hours
“Company”	WuXi XDC Cayman Inc. (藥明合聯生物技術有限公司*), an exempted company incorporated under the laws of Cayman Islands with limited liability on December 14, 2020, the Shares of which are listed on the Main Board of the Stock Exchange
“CRDMO”	Contract Research, Development and Manufacturing Organization
“Directors”	the directors of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held to consider and, if thought fit, approve the Subscription Agreement and the transactions contemplated thereunder together with the grant of Specific Mandate to issue and allot the Subscription Shares

“General Mandate”	the general mandate granted to the Directors pursuant to the resolution passed by then Shareholders at the AGM to allot, issue and deal with up to 20% of the issued Shares (excluding treasury Shares) of the Company as at the date of passing such resolution
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Independent Third Party(ies)”	third party(ies) who are not the connected person(s) of the Company
“Last Trading Date”	September 2, 2025, being the last trading day prior to the signing of the Placing Agreement and the Subscription Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended and supplemented from time to time
“percentage ratio”	has the meaning ascribed to it under the Listing Rules
“Placee(s)”	any professional, institutional, and/or other investor(s) whom the Placing Agent has procured to subscribe for any of the Placing Shares pursuant to the Placing Agreement
“Placing Agent”	Morgan Stanley Asia Limited
“Placing Agreement”	the conditional placing agreement dated September 2, 2025 between the Company and the Placing Agent in respect of the Placing
“Placing Closing Date”	the date on which completion of the Placing shall take place
“Placing Price”	HK\$58.85 per Placing Share
“Placing Shares”	an aggregate of 22,277,000 new Shares to be issued and allotted under the Placing pursuant to the Placing Agreement
“Prospectus”	the prospectus of the Company dated November 7, 2023
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary shares in the share capital of the Company with a par value of US\$0.00005 each

“Share Schemes”	collectively, (i) the share option scheme adopted by the Company on November 23, 2021, (ii) the share option scheme adopted by the Company on March 22, 2023 and (iii) the share scheme adopted by the Company on June 12, 2024
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

By order of the Board
WuXi XDC Cayman Inc.
Dr. Jincal LI
Executive Director and Chief Executive Officer

Hong Kong, September 2, 2025

For the purpose of this announcement, conversion of US\$ into HK\$ is based on the exchange rate of US\$1.00 to HK\$7.8038. The exchange rate is used for illustration purposes only and should not be taken as a representation that the HK\$ amount could actually be converted into US\$ at that rate, or at all.

As at the date of this announcement, the board of directors of the Company comprises (i) Dr. Jincal LI, Mr. Jerry Jingwei ZHANG and Mr. Xiaojie XI as executive directors; (ii) Dr. Zhisheng CHEN, Dr. Jijie GU and Ms. Ming SHI as non-executive directors; and (iii) Dr. Ulf GRAWUNDER, Mr. Kenneth Walton HITCHNER III and Mr. Hao ZHOU as independent non-executive directors.

* For identification purpose only