

WuXi AppTec

First Quarter 2022 Results

April 26, 2022



603259.SH / 2359.HK

Forward-Looking Statements

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

Non-IFRS Financial Measures

We provide Non-IFRS gross profit and Non-IFRS net profit attributable to owners of the Company, which exclude share-based compensation expenses, listing expenses and issuance expenses of convertible bonds, fair value gain or loss from derivative component of convertible bonds, foreign exchange-related gains or losses and amortization of intangible assets acquired in business combinations and goodwill impairment. We also provide adjusted Non-IFRS net profit attributable to owners of the Company and earnings per share, which further exclude realized and unrealized gains or losses from our venture investments and joint ventures. We further provide EBITDA and adjusted EBITDA. Neither of above is required by, or presented in accordance with IFRS. Meanwhile, to better reflect the operation results and key performance, the Company has adjusted the scope of the foreign exchange-related gains or losses by excluding only the gains or losses that we believe irrelevant to the core business. The comparative financial figures for the comparable periods have been adjusted to reflect the change of the scope.

We believe that the adjusted financial measures used in this presentation are useful for understanding and assessing our core business performance and operating trends, and we believe that management and investors may benefit from referring to these adjusted financial measures in assessing our financial performance by eliminating the impact of certain unusual, non-recurring, non-cash and non-operating items that we do not consider indicative of the performance of our core business. Such Non-IFRS financial measures, the management of the Company believes, is widely accepted and adopted in the industry the Company is operating in. However, the presentation of these adjusted Non-IFRS financial measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with IFRS. You should not view adjusted results on a stand-alone basis or as a substitute for results under IFRS, or as being comparable to results reported or forecasted by other companies.

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01 Results Overview

02 Business Highlights

03 Financial Performance

04 Growth Outlook

Notes:

All financials disclosed in this presentation are prepared based on International Financial Reporting Standards (or “IFRSs”).

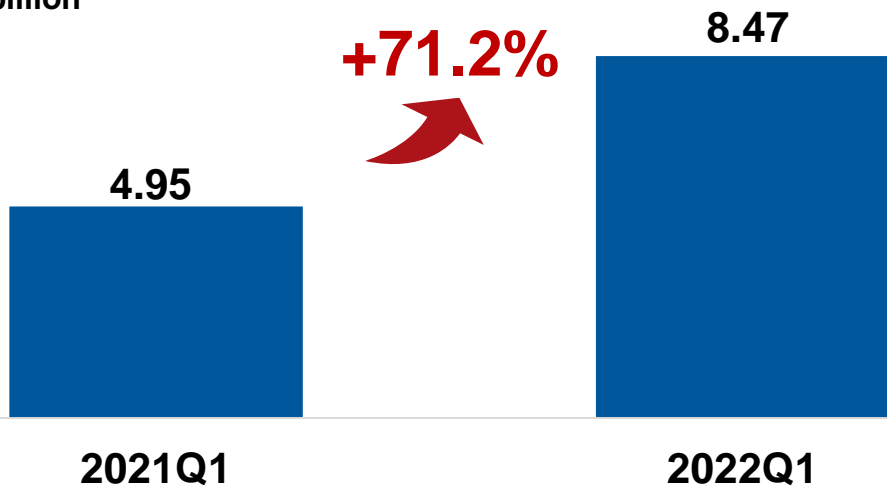
The unit of currency is RMB.

1. Results Overview

Strong Revenue & Profit Growth in First Quarter 2022

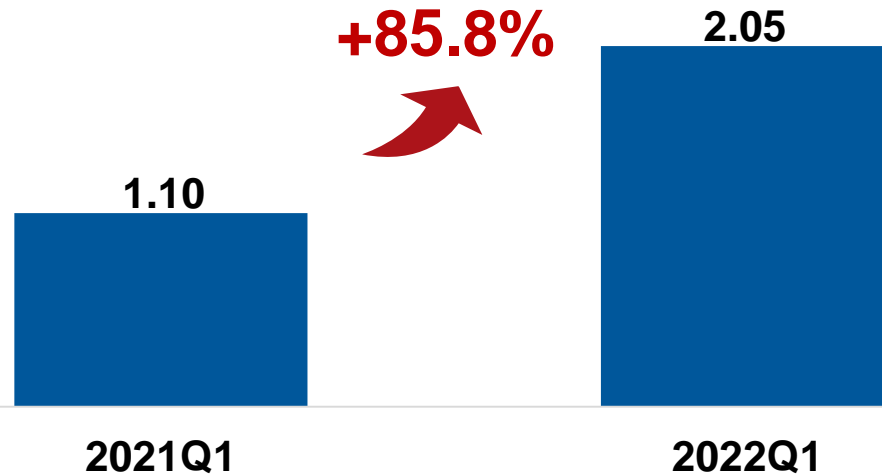
Revenue

RMB billion



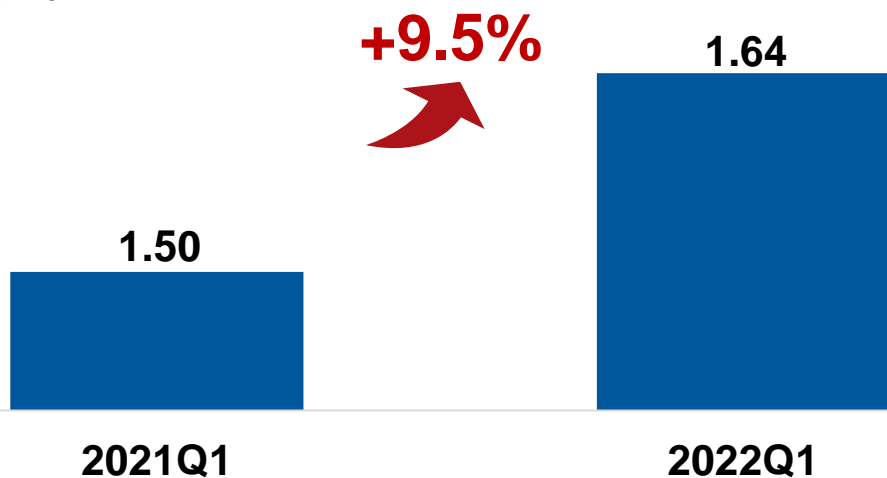
Adjusted Non-IFRS Net Profit

RMB billion



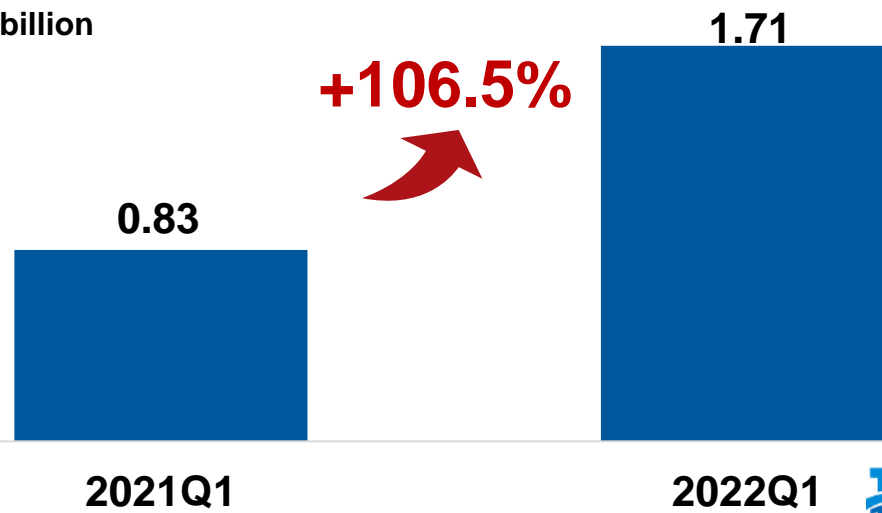
Net Profit

RMB billion



Net Profit After Deducting Non-Recurring Items

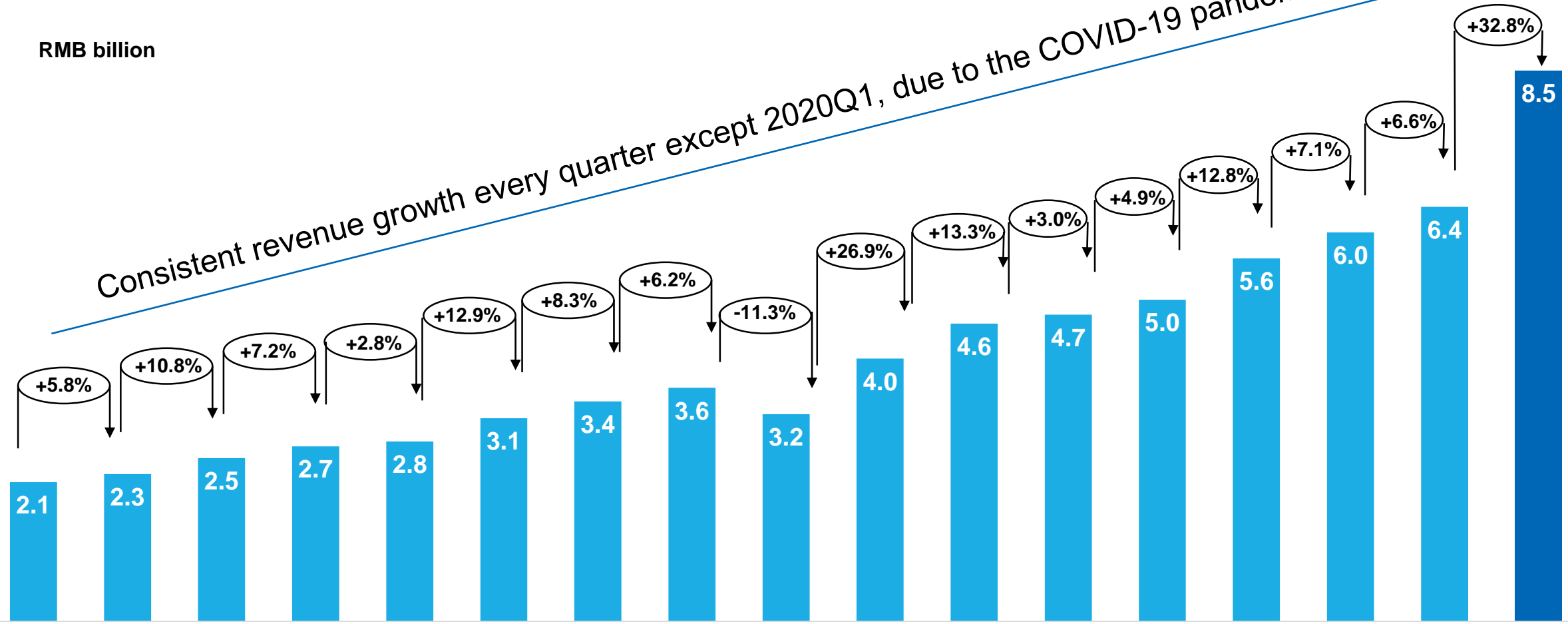
RMB billion



Consistent Revenue Growth Quarter after Quarter

RMB billion

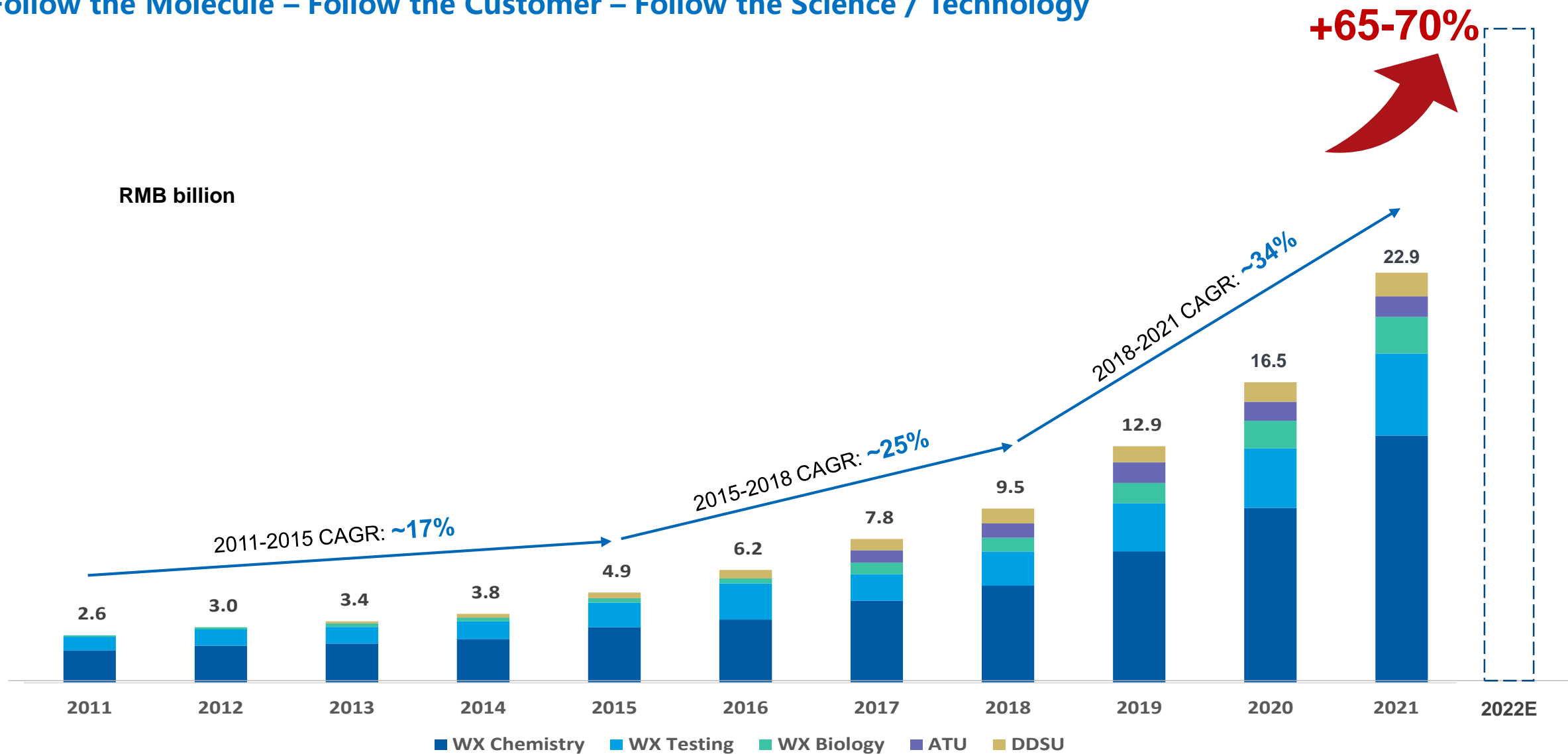
Consistent revenue growth every quarter except 2020Q1, due to the COVID-19 pandemic



YoY	2018Q1	2018Q2	2018Q3	2018Q4	2019Q1	2019Q2	2019Q3	2019Q4	2020Q1	2020Q2	2020Q3	2020Q4	2021Q1	2021Q2	2021Q3	2021Q4	2022Q1
	+21.2%	+19.5%	+24.8%	+29.0%	+29.3%	+37.8%	+34.7%	+33.5%	+15.1%	+29.4%	+35.4%	+31.4%	+55.3%	+38.1%	+30.6%	+35.2%	+71.2%

Accelerating Growth on Back of CRDMO/CTDMO Business Model

Follow the Molecule – Follow the Customer – Follow the Science / Technology



2022Q1 Business Highlights

“Long-Tail” Strategy

320+ New Customers
5,800+ Active Customers

Loyal Customer Base

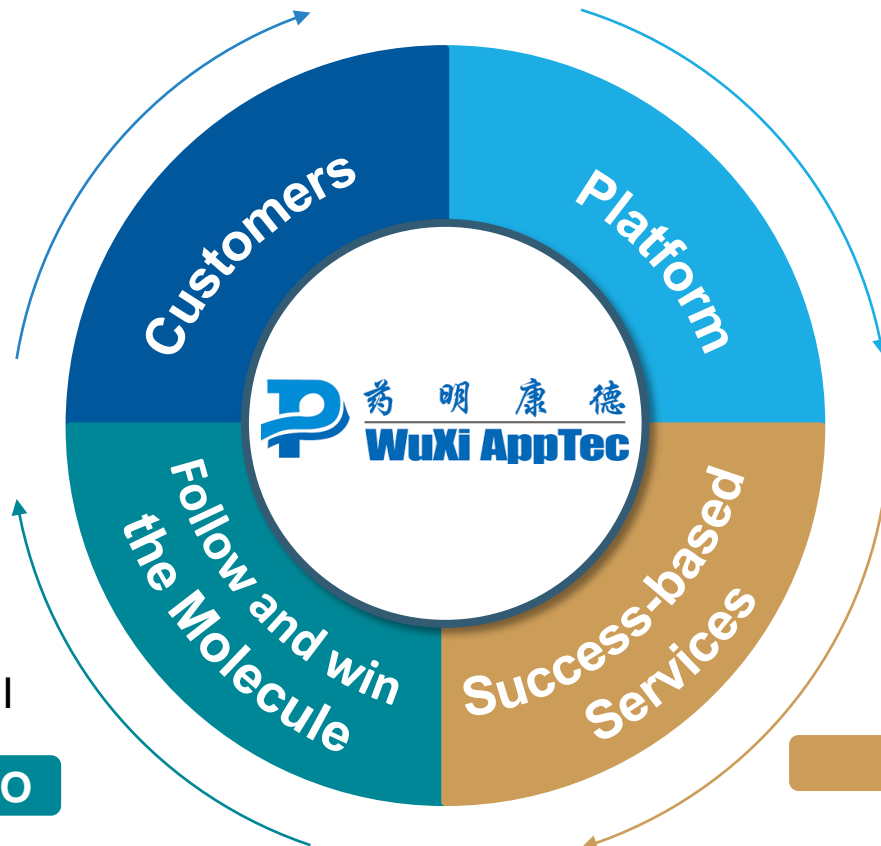
100% Retention of Our
Top 10 Customers

Small Molecule CRDMO

217 New Molecules
1,808 Molecules;
42 Commercial; **49** Phase III

Cell & Gene Therapies CTDMO

59 Pre-clinical & Phase I
7 Phase II, **8** Phase III



Global Footprint

31 Global Sites & Branch Offices
36,997 Total Employees
34,179 Scientists & Technicians

Success Based Projects

2 INDs; **16** CTAs

Cumulatively

146 INDs; **126** CTAs

Clinical Development

1 NDA, **3** Phase III
16 Phase II, **74** Phase I

Our Platform & Business Model Continued to Perform Well

Strong, Loyal & Expanding Customer Base

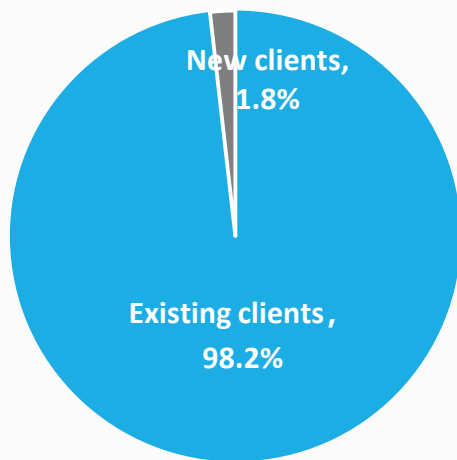
Revenue composition

Existing clients contributed

8,322M, 75%↑

Newly added clients contributed

153M



Execute Long-Tail Strategy & Increase Support to Large Pharma

Revenue composition

Top 20 Global Pharma clients

3,807M, 140%↑

All other clients

4,668M, 39%↑

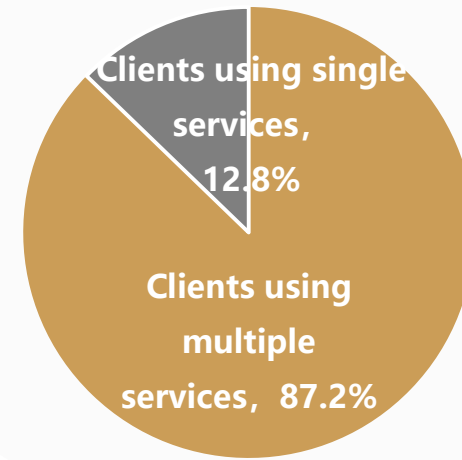


Increase Customer Conversion to Sustain Growth

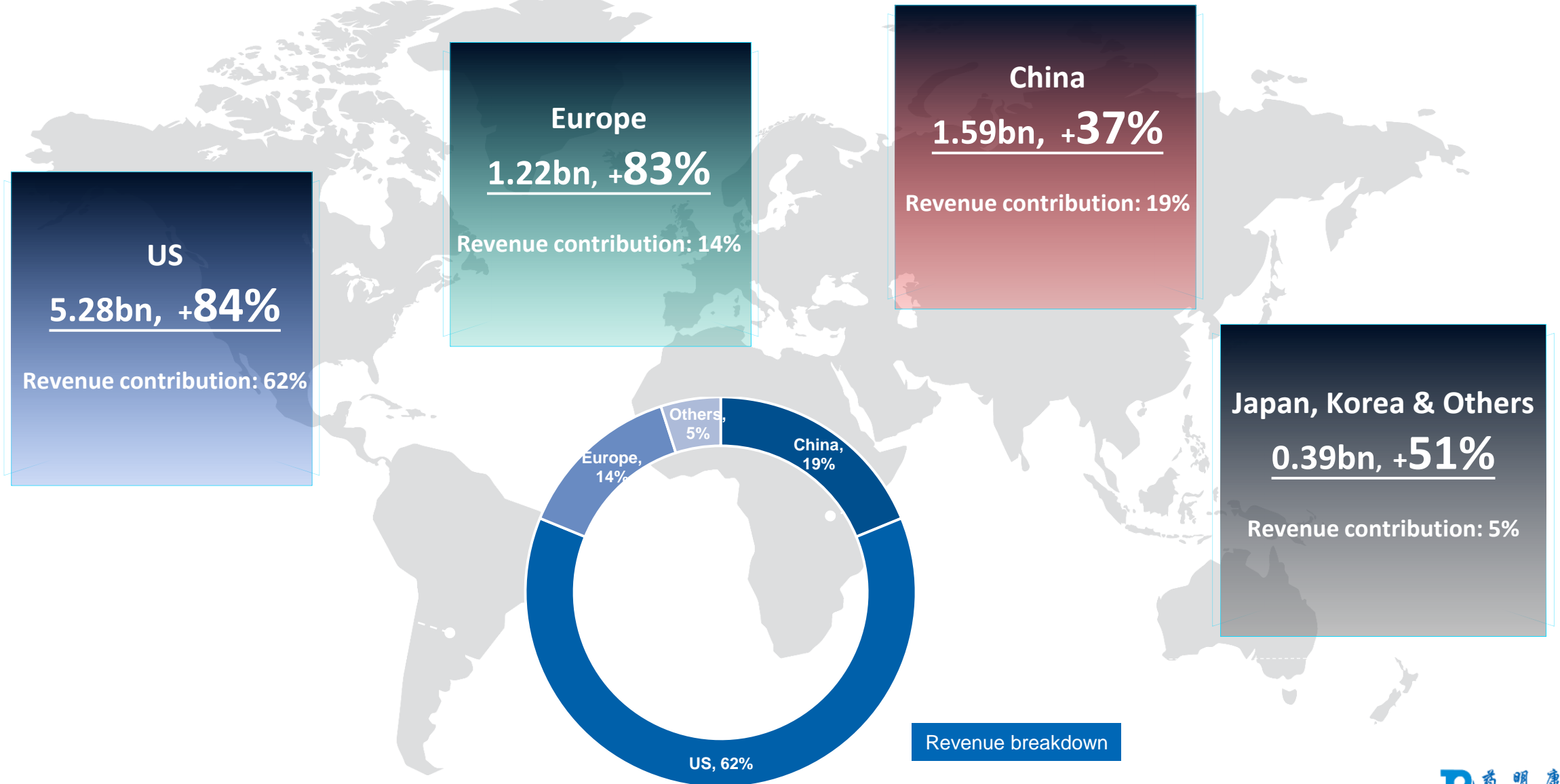
Revenue composition

Clients using multiple services

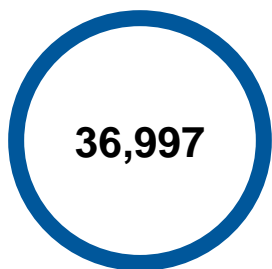
7,392M, 87%↑



Strong Revenue Growth from Customers Across All the Regions



Continue to Attract, Train and Retain Talent to Support Rapid Growth



Total Employees ending
Mar 31 2022



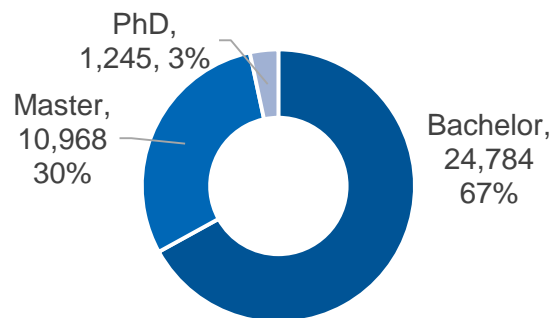
Overseas
Employees



Research
Employees

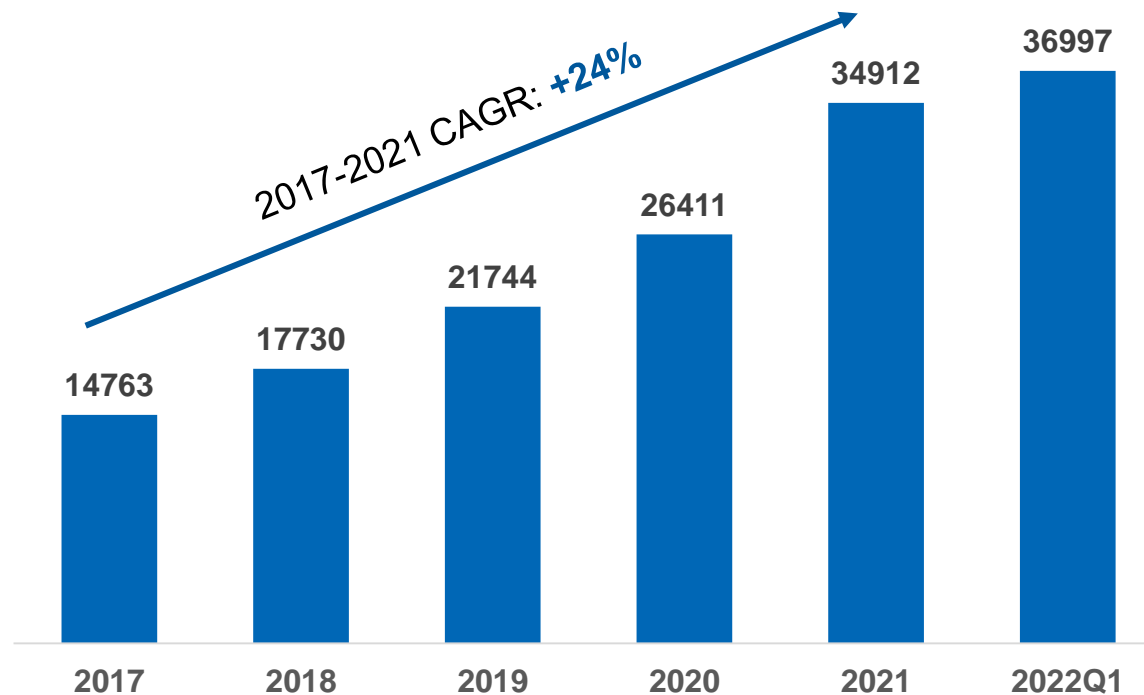


Manufacturing
Employees



Professional Team with 33%+ Master or PhD

Rapid Expansion of Talent Base



2017-2021 Revenue CAGR: +31%

ESG Recognition and Target by 2030

MSCI ESG Ratings in 2021: AA

The first company with AA ratings among all A-share listed companies in healthcare industry



Member of Dow Jones Sustainability Indices (2021)



Top Rated in Sustainalytics (2022)



Target by 2030 as compared to 2020



25%

Carbon Emission Intensity



25%

Energy Consumption Intensity



30%

Water Use Intensity



2. Business Highlights

WuXi Chemistry: strong demand drives growth, target double revenue in 2022

Financial Performance

- Revenue growth of **102.1%** YoY to **6.12bn**. Adjusted Non-IFRS gross profit grew by **89.8%** YoY to **2.47bn**.
- Adjusted Non-IFRS gross profit margin is **40.3%**.
- Excluding COVID-19 commercial projects, WuXi Chemistry revenue grew **52.3%**.

Drug Discovery (R)

- Revenue of discovery service grew **46.6%** YoY to **1.74bn**.
- Delivered **90,000+** synthesized compounds to our clients
- Demand from “long-tail” customers in small molecule, oligo and peptide discovery service continued to be strong

Development and Manufacturing (D&M)

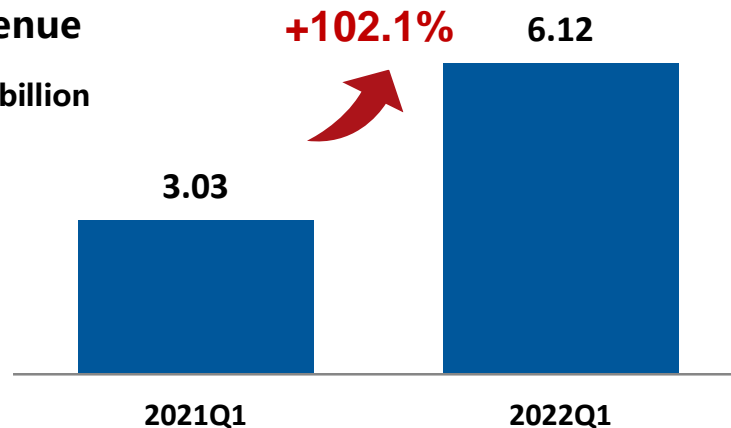
- Revenue of development and manufacturing service grew **138.1%** YoY to **4.37bn**.
- Total pipeline of **1,808** molecules (**217** newly added), including **42** commercial, **49** Phase III, **271** Phase II, **1,446** Phase I and pre-clinical projects.
- Oligo & peptide D&M clients and molecules grew **72%** and **98%**, D&M revenue first reaching **RMB251mn**.

Capacity Expansion

- Capacity expansion continued to accelerate in 2022Q1. During the reporting period, we began to operate our facility in **Changshu** for drug substance manufacturing, and also began to operate part of **Changzhou Phase 3** facility including a new R&D center and 2 plants.

Revenue

RMB billion

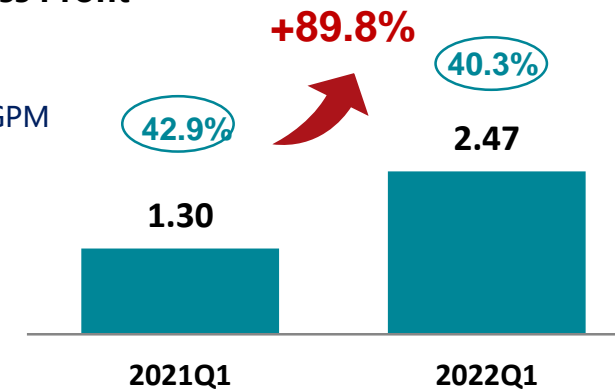


Adjusted Non-IFRS Gross Profit

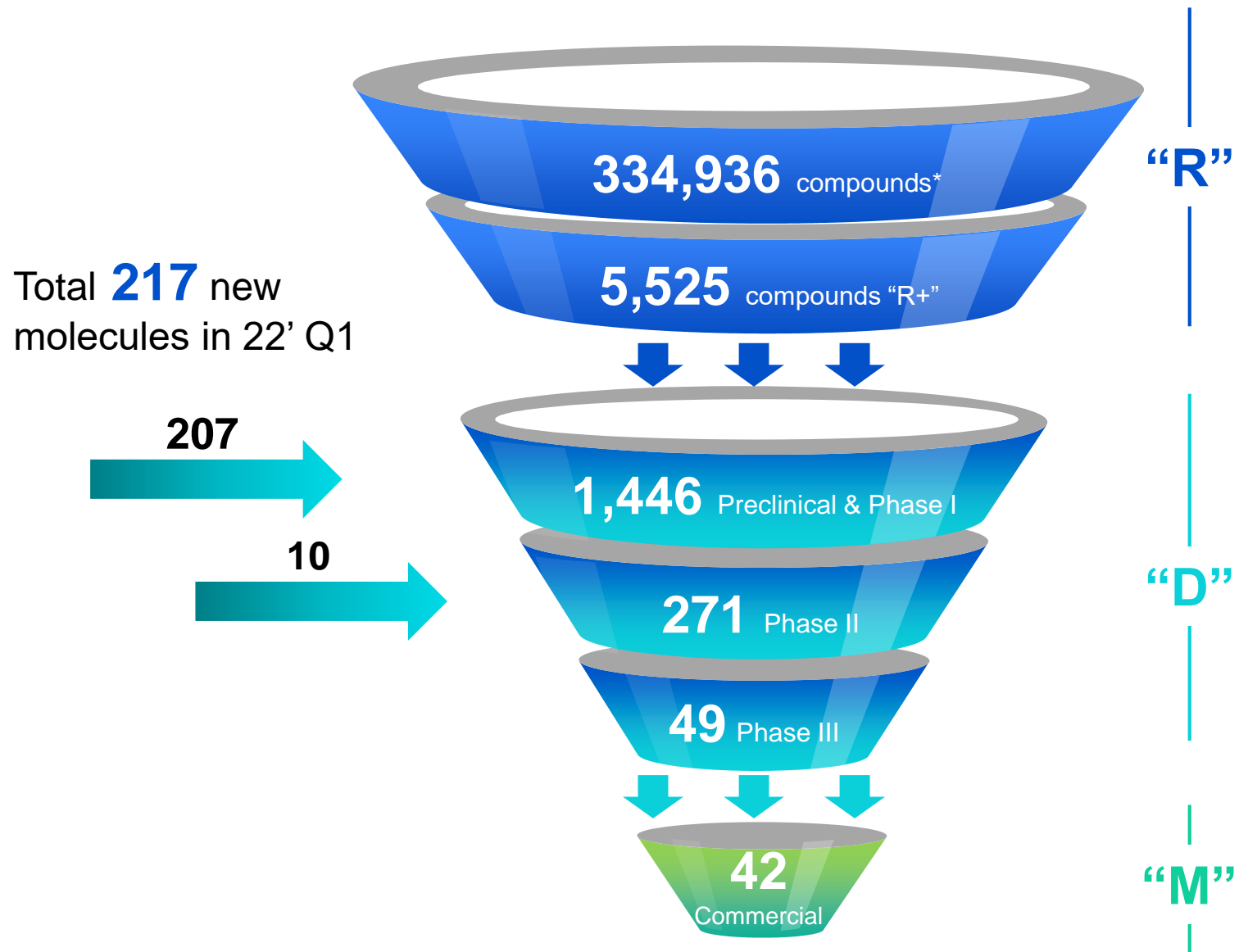
RMB billion



Adjusted non-IFRS GPM



WuXi Chemistry: Growing CRDMO Pipeline

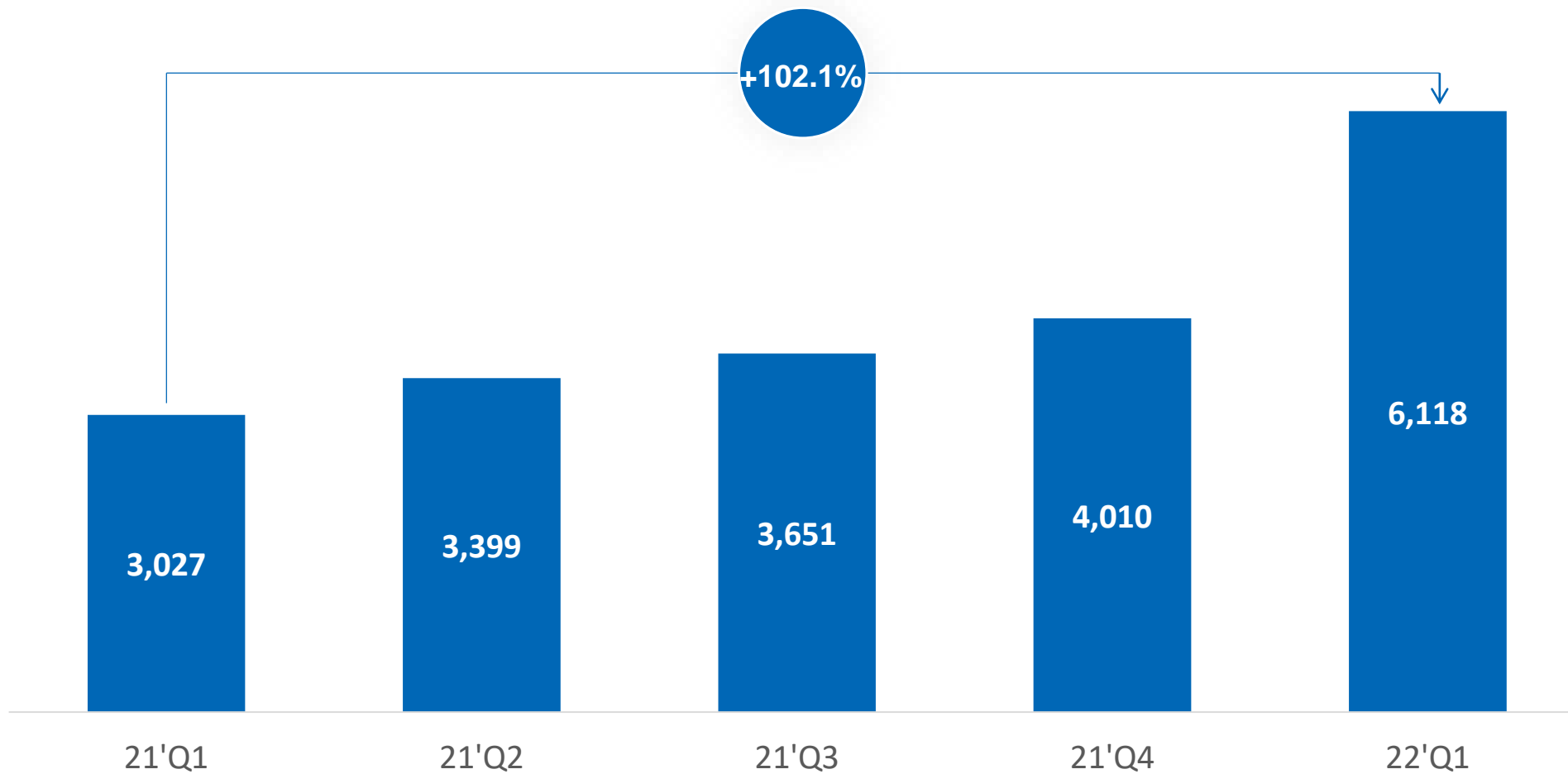


Note:

- 1. 334,936 individually synthesized compounds in the past 12 months until March, 2022.
- 2. 5,525 compounds "R+" refer to those at the scale of 100g or larger.

WuXi Chemistry: Strong Revenue Growth

Revenue (RMB Million)



WuXi Chemistry: Global Development and Manufacturing Footprint and Capacity Expansion

China

DS DP



Shanghai Waigaoqiao
68,800 m²

DS



Shanghai Jinshan
78,500 m²

DS NM



Changzhou, Jiangsu
215,500 m²

DS



Changshu, Jiangsu
91,800 m²

DS NM



Taixing, Jiangsu
New site under construction
Start operation in H2 2022
690,000 m² (planned)

DP



Wuxi city, Jiangsu
34,200 m²

United States

DS DP



San Diego, CA
2,700 m²

DP



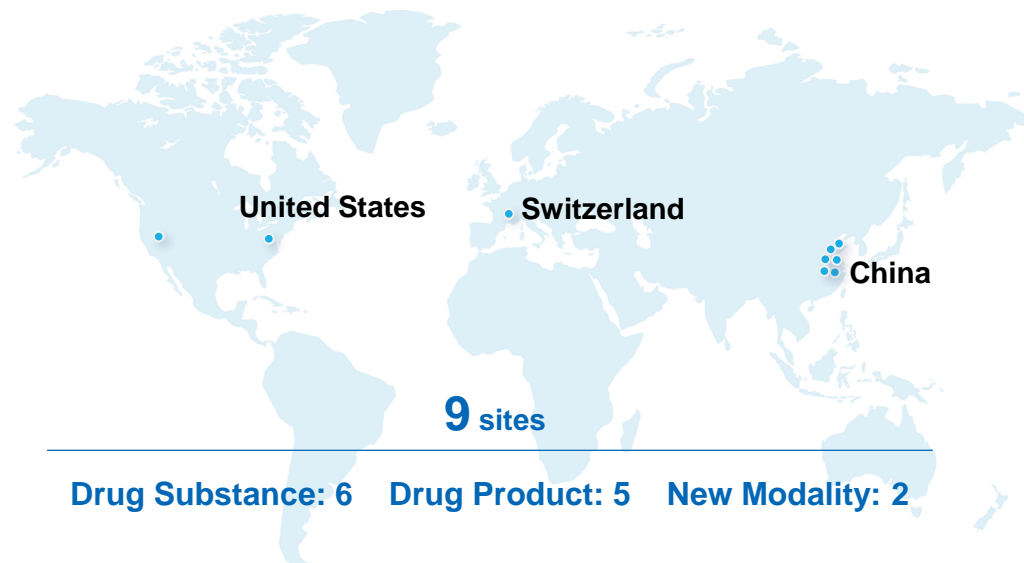
Middletown, DE
New site under construction
Start operation in 2024
756,000 m² (planned)

Switzerland

DP



Couvet, Neuchâtel
19,000 m²



Drug Substance: 6 Drug Product: 5 New Modality: 2

WuXi Testing: fast growth in lab testing, to continue past growth trajectory in 2022

Financial Performance

- Revenue growth of **31.7%** YoY to **1.28bn**
- Adjusted Non-IFRS GP growth **36.9%** YoY to **0.46bn**
- Adjusted Non-IFRS **GPM 35.7%**

Lab Testing Services

- Revenue from lab testing services grew **39.9%** YoY to **0.91bn**
- Drug safety evaluation services revenue grew **53%**. We are APAC industry leader
- Medical device testing business has turned around and grew **27%**

Clinical CRO

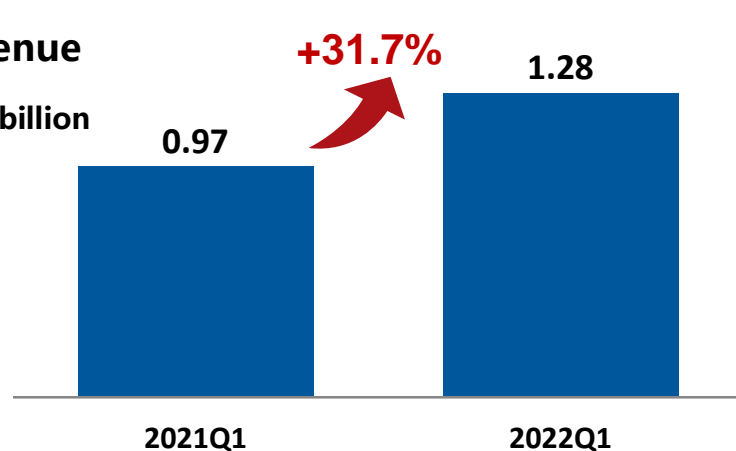
- Revenue of clinical CRO and SMO grew **15.2%** YoY to **0.37bn**
- Provided services to around **160** projects for our clients, enabling **4** IND approvals

SMO

- SMO maintained **#1** leadership position in China, with over **4,600** staffs in around **150** cities and provide services in more than **1,000** hospitals.
- Supported **4** products approvals

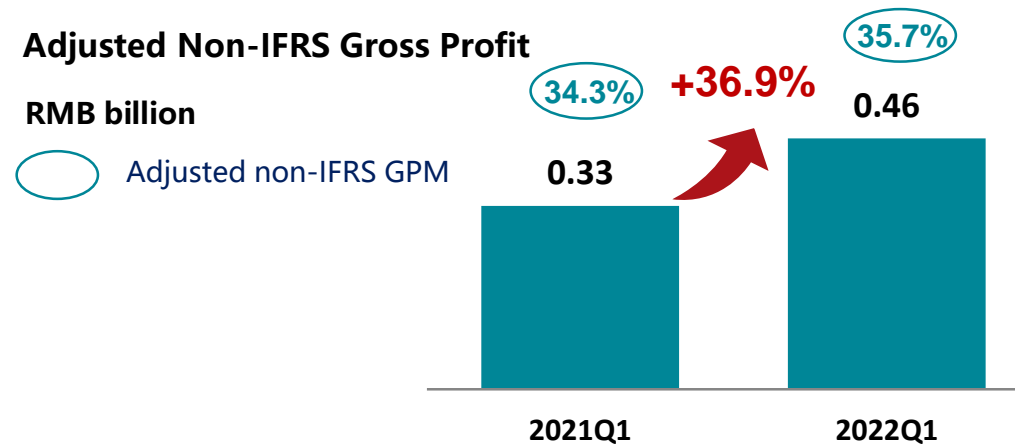
Revenue

RMB billion



Adjusted Non-IFRS Gross Profit

RMB billion



WuXi Testing Growth Highlights

Growing Lab Capacity

- 15,000 m² new capacity in Chengdu and Nanjing delivered in 2021
- 55,000 m² new capacity under construction for mid 2023 delivery

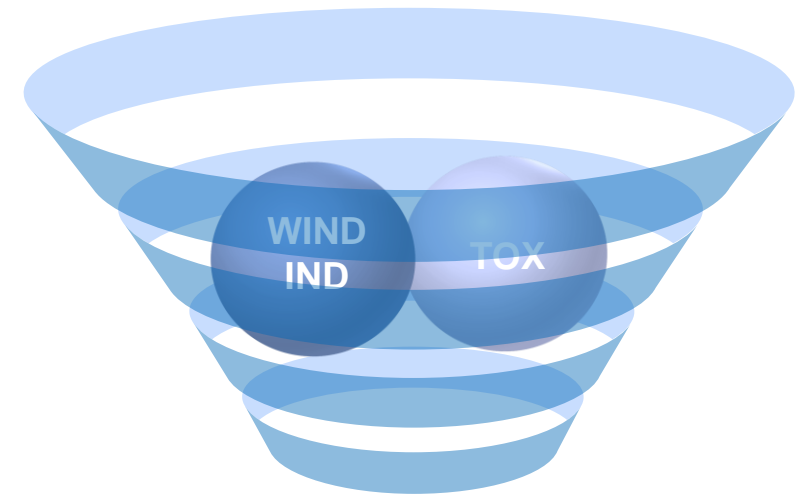
Robust Supply Chain

- Animal resource and supply ready and aligned with contracts
- Business Continuity Plan (BCP) implemented

Med. Device Rebound

- Medical Device business delivered 27% growth, driven by strong growth of MDR related materials testing business

1 Drive Conversion Leverage Preclinical Opportunities



2 Drive Conversion Capture Clinical Wins



WuXi Biology: new modalities drive growth, to continue past growth trajectory in 2022

Financial Performance

- Revenue growth of **26.2%** YoY to **0.53bn**. Robust growth in new modalities and large molecules
- Adjusted Non-IFRS GP growth **40.4%** YoY to **0.22bn**
- Adjusted Non-IFRS **GPM 41.4%**

Discovery Biology

- We have the largest discovery biology enabling platform with over **2,500** experienced scientists
- Established **3 Center of Excellence (COE)** for NASH, antiviral, neuroscience and aging
- Strong growth from both **cancer discovery** service and **rare & immune disease** service

New Modalities

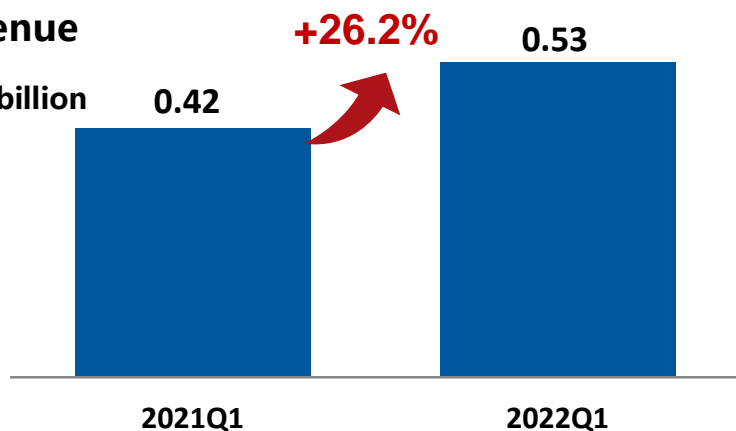
- We continue to build new biology capabilities related to new modalities, such as target protein degradation, nucleic acid based and conjugated modalities
- Revenue from new modalities and large molecules in WuXi Biology grew **110%**, and its revenue contribution rose to **17.6%** in 2022Q1, from 14.6% in 2021

DNA Encoded Library

- We have a leading DNA Encoded Library (DEL) with over **90** billion compounds, **6,000** proprietary scaffolds and **35,000** building blocks, **1,100+** clients
- We leverage our global network of sites in China, US and Germany to develop and use new technologies such as OBOC (“One-Bead-One-Compound”) to drive growth and maintain business continuity

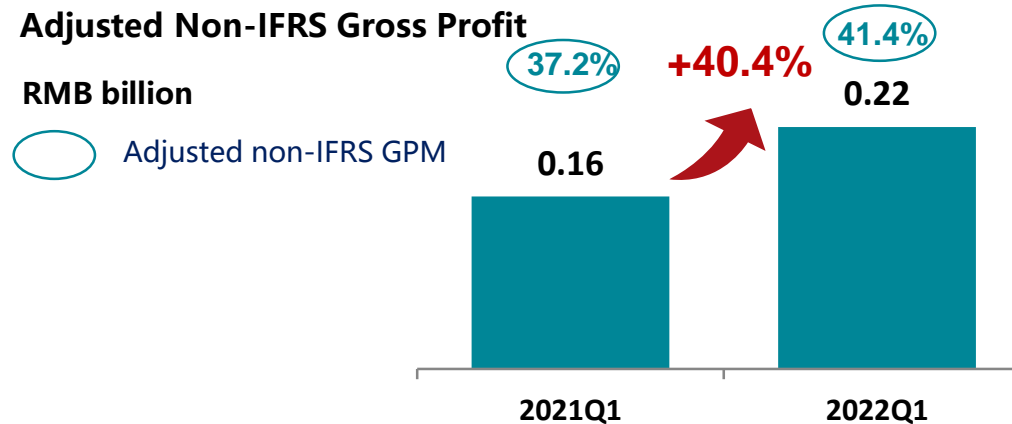
Revenue

RMB billion



Adjusted Non-IFRS Gross Profit

RMB billion



WuXi ATU: to see turning point in 2022, target growth quicker than industry

Financial Performance

- Revenue grew **37.0%** to **0.30bn.**
- Adjusted Non-IFRS gross profit **-0.02bn.** Gross profit declined is largely due to under-utilized capacities of newly built Shanghai Lingang site and Philadelphia site. With utilization ramping up, gross profit will turn positive and increasing.
- Adjusted Non-IFRS GPM **-7.5%.**

Projects

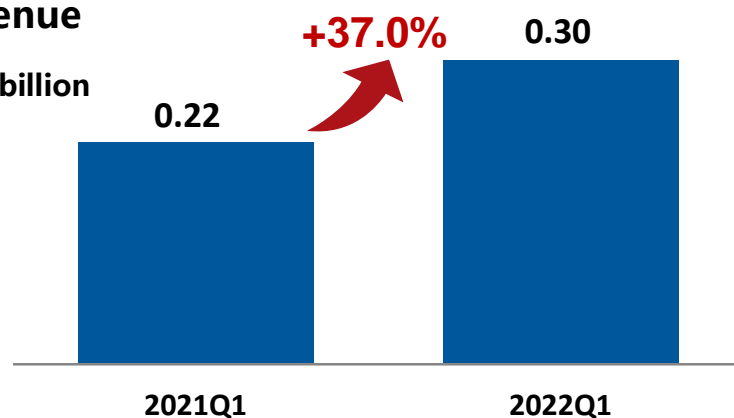
- We focused on improving our CTDMO integrated enabling platform and provided development and manufacturing services for **59** pre-clinical and Phase I projects, **7** Phase II projects, **8** Phase III projects (**4** projects are in BLA preparation stage)

AAV - TESSA

- Launched TESSA™ in March 2022. TESSA™ is a revolutionary novel process for transfection-free, scalable manufacture of AAV and the new data published in *Nature Communications* highlights that in the same manufacturing volume, TESSA™ vectors produced 10 times more AAV than plasmid-based manufacture.
- **14** TESSA evaluation projects

Revenue

RMB billion

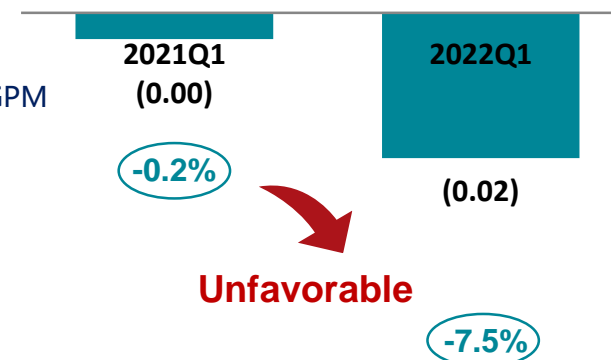


Adjusted Non-IFRS Gross Profit

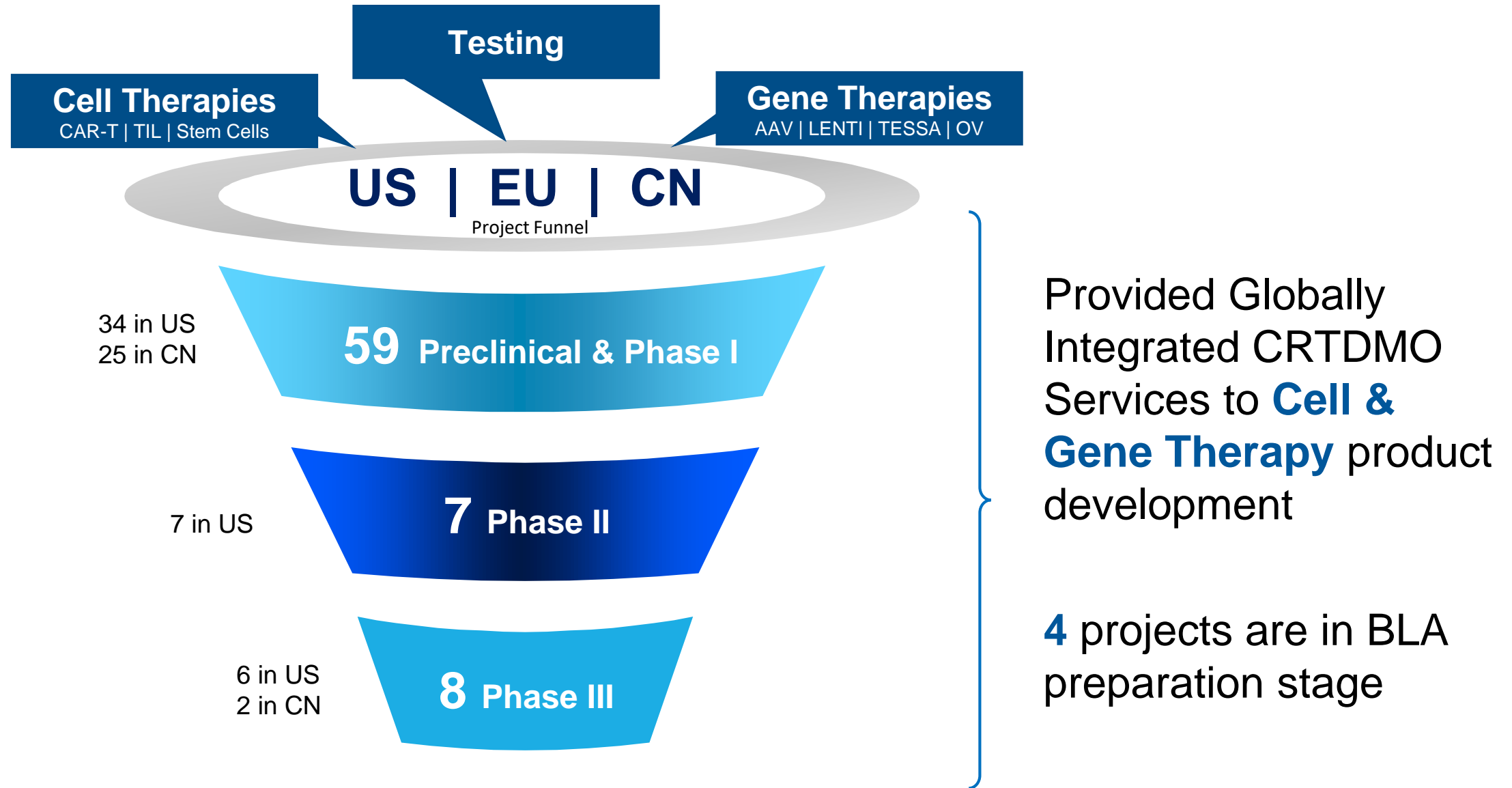
RMB billion



Adjusted non-IFRS GPM



WuXi ATU: Growing Pipeline on Our Integrated CTDMO Platform



WuXi DDSU: better enabling China-based customer innovation, business to evolve in 2022

Financial Performance

- Revenue declined **21.6%** YoY to **0.24bn.**
- Adjusted Non-IFRS GP declined **45.1%** to **0.08bn.**
- Adjusted Non-IFRS GPM **33.1%.**

Project Number

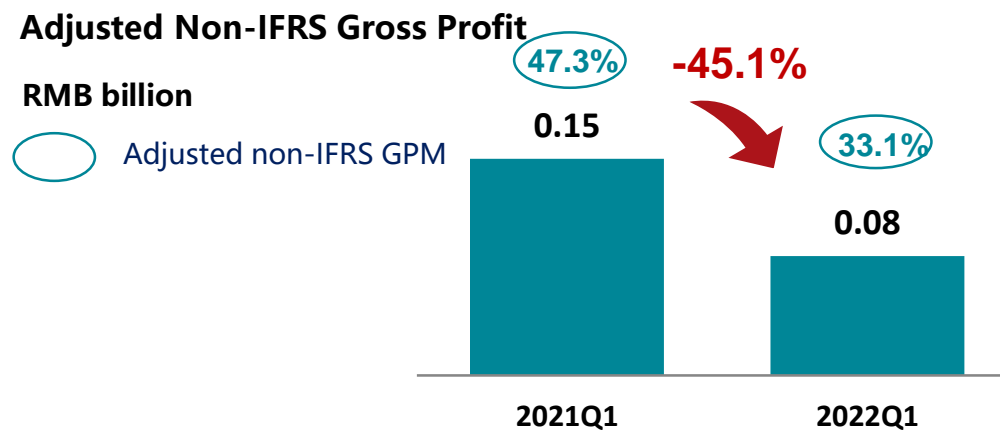
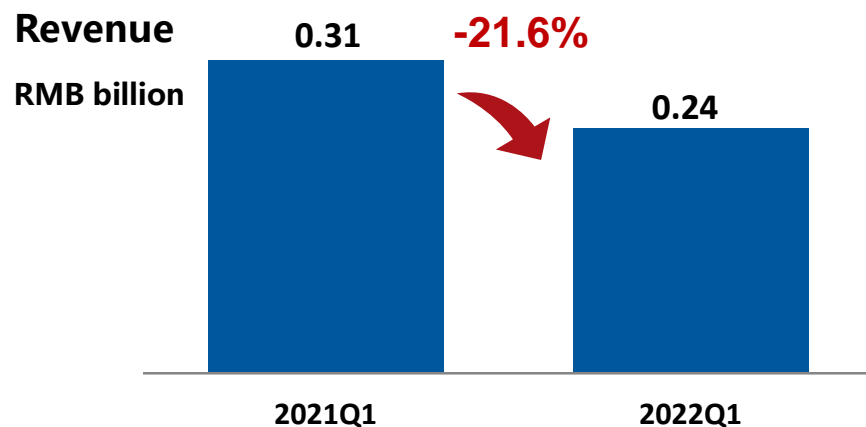
- During the Reporting Period, our success-based drug discovery service unit filed INDs for **2** drug candidates and obtained **16** CTAs.
- Cumulatively submitted **146** new chemical entity IND filings and obtained **126** CTAs, with **1** project in NDA review stage, **3** project in Phase III clinical trial, **16** projects in Phase II clinical trials, and **74** projects in Phase I clinical trials.

Innovative R&D

- Among the 146 projects that INDs were filed or currently in clinical stage, **~70%** of the projects rank **top 3** in China, in terms of their drug development progress among same class drug candidates.

Business Evolvement

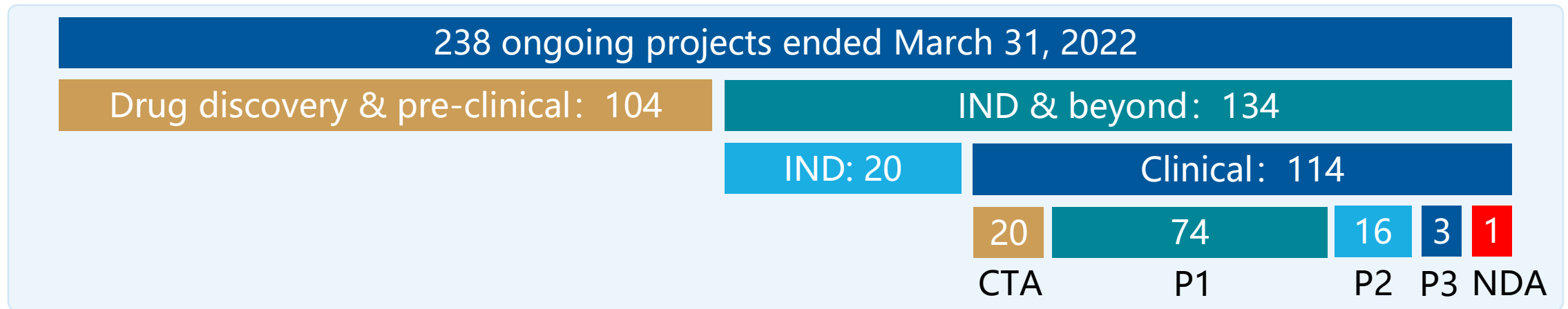
- DDSU's revenue decline was mainly attributed to our business evolvement that aims to better serve the growing needs of clients in China for novel innovative R&D, which sets a higher bar of R&D and requires longer turnaround.



WuXi DDSU: Success-based Business Model with Potential Upside

146 IND filings²

~70% Top 3 in China¹



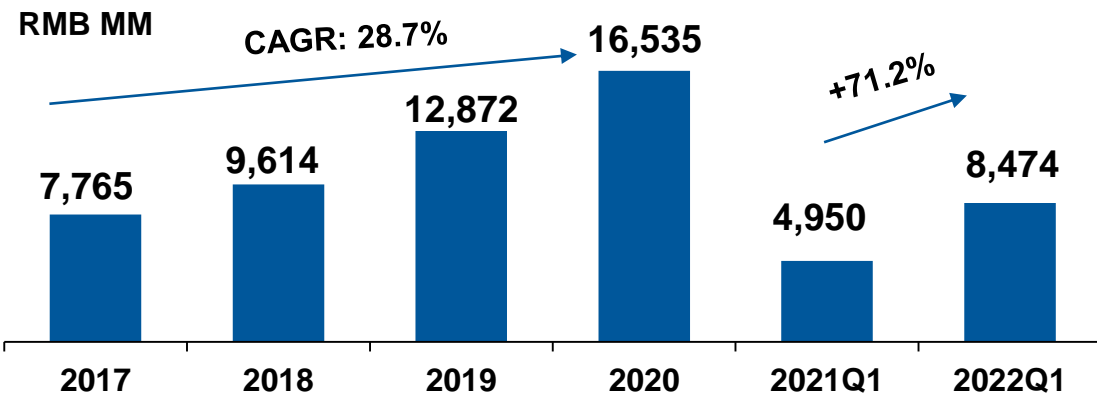
Note:

1. Rank by clinical development speed among same-class drug candidates
2. 12 projects in CTA, Phase 1 and Phase 2 stages were stopped clinical development by clients so far

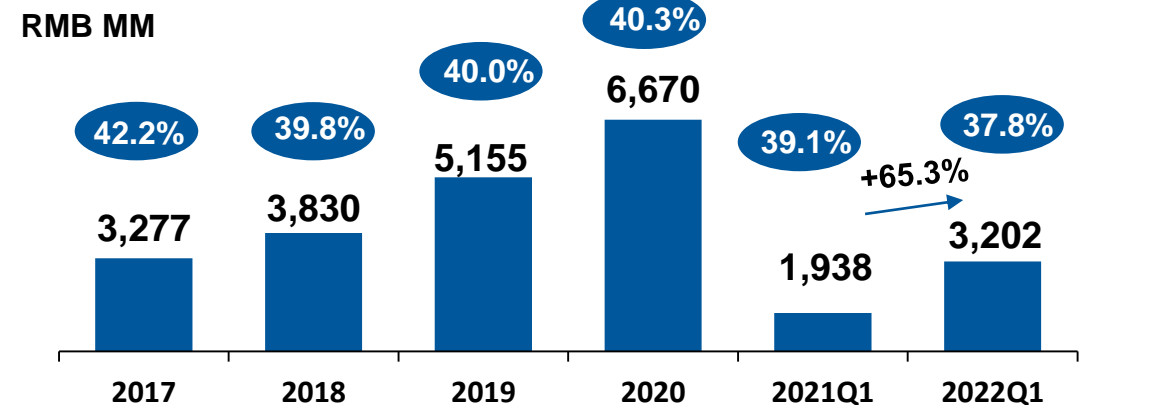
3. Financial Performance

Financial Performance

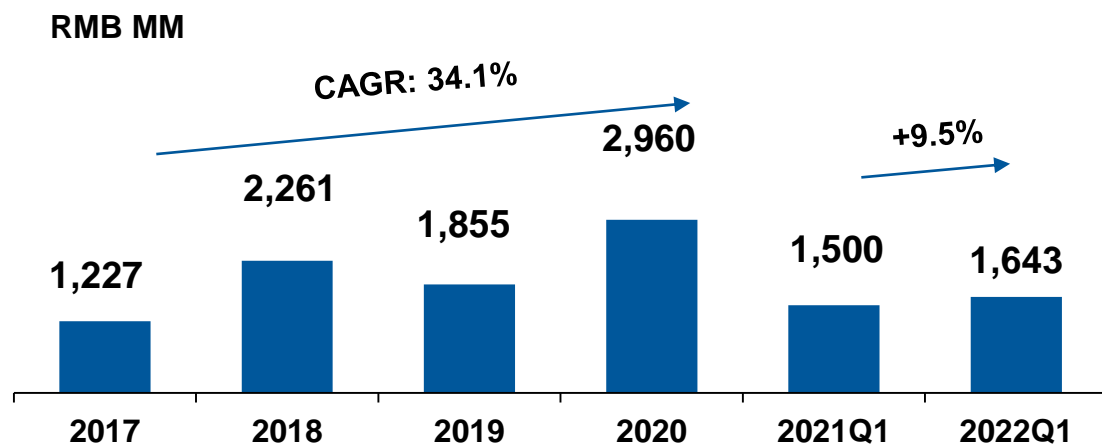
Revenue



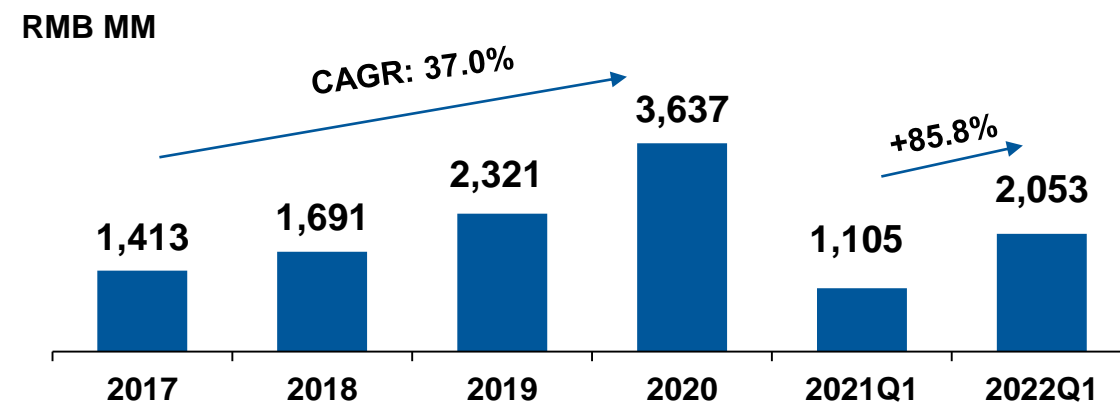
Non-IFRS Gross Profit



Net Profit Attributable to Owners of the Company



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

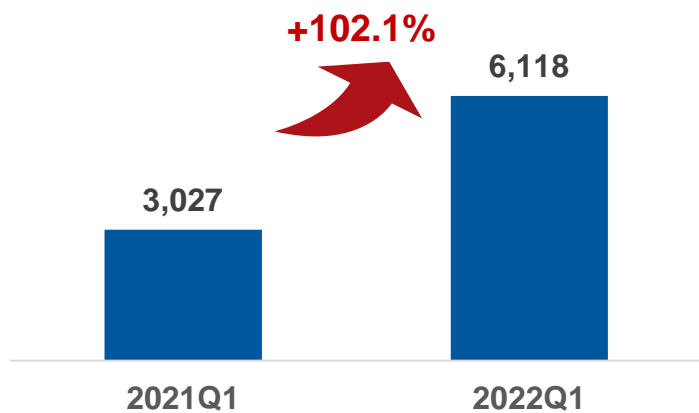


Note: The Company has adjusted the scope of the foreign exchange related gains or losses in the calculation of non-IFRS measures since June 2021, by adjusting only the gains or losses that the management believes are irrelevant to the core business. The comparative financial figures for the comparable periods has been adjusted to reflect the change of scope.

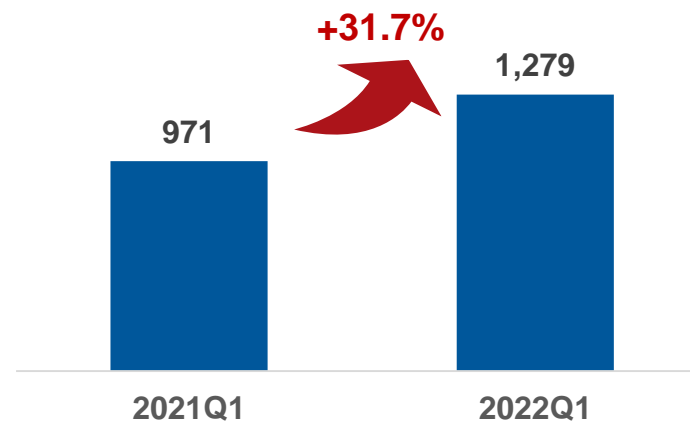
Segment Revenue

RMB MM

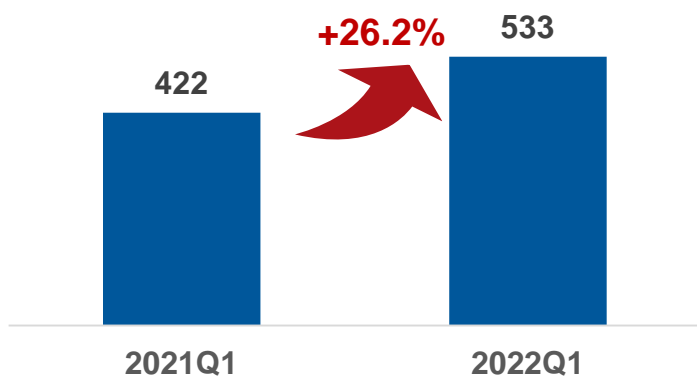
WuXi Chemistry



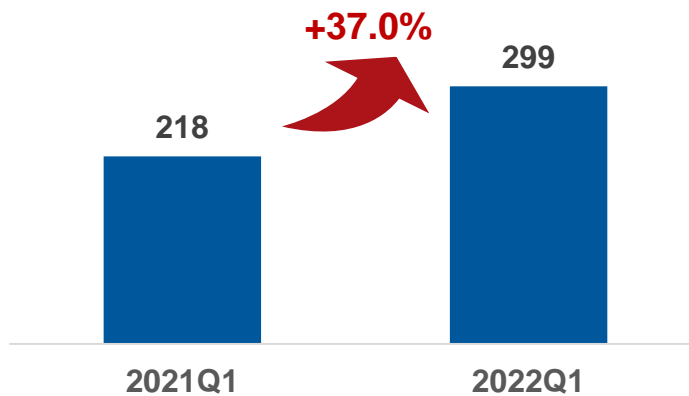
WuXi Testing



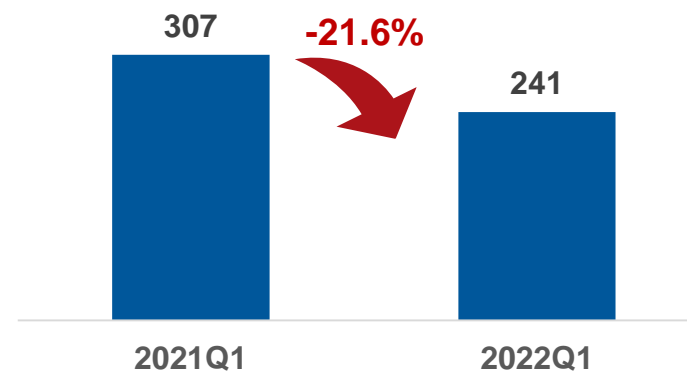
WuXi Biology



WuXi ATU



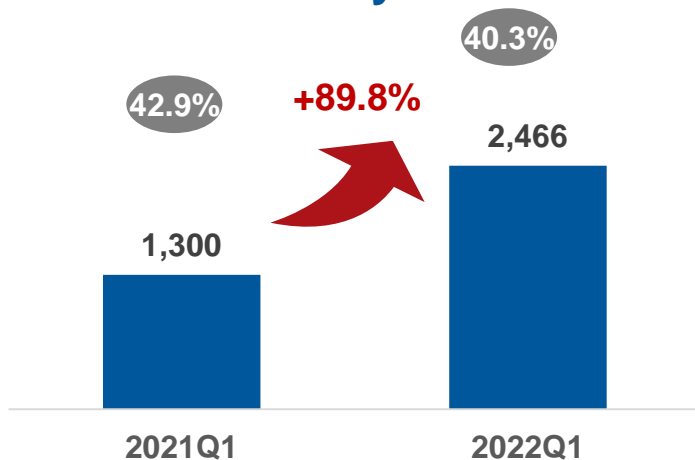
WuXi DDSU



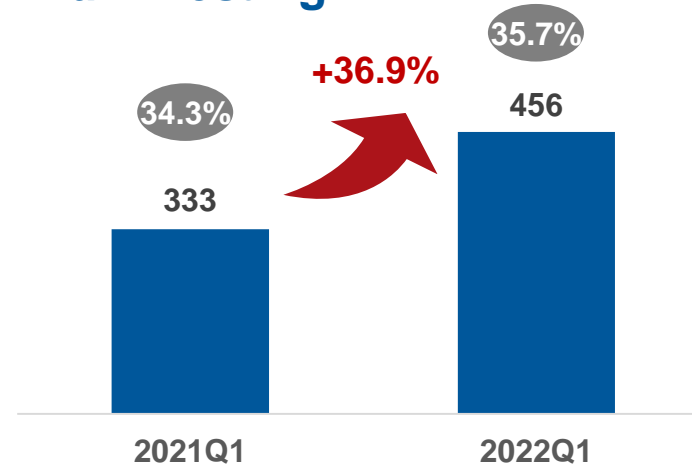
Segment Non-IFRS Gross Profit

RMB MM

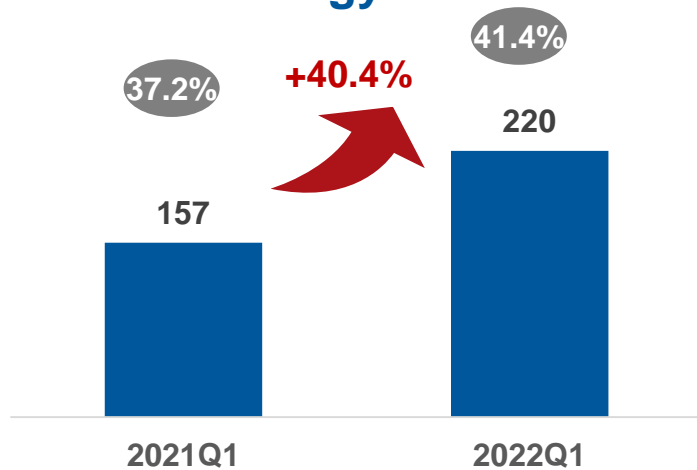
WuXi Chemistry



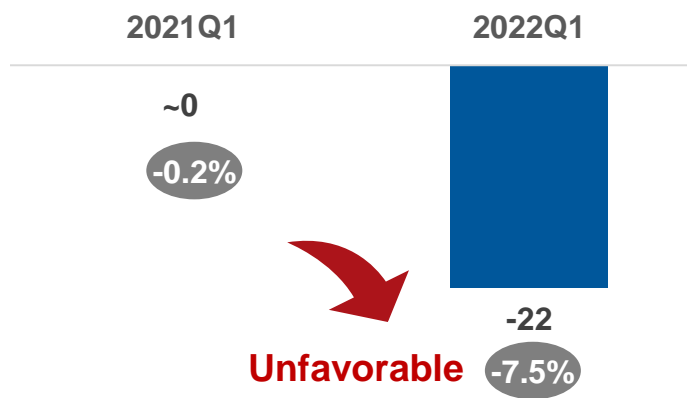
WuXi Testing



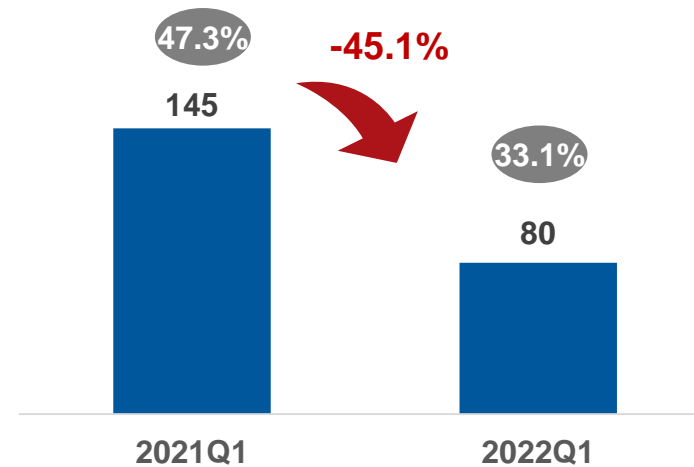
WuXi Biology



WuXi ATU



WuXi DDSU



Revenue and Adjusted Non-IFRS Gross Profit at Constant Exchange Rate (CER)

(RMB Million)	1Q'22	1Q'21	YoY	1Q'22 ex. Hedge @CER	1Q'21 ex. Hedge	YoY@CER
Revenue	8,474	4,950	71.2%	8,492	4,758	78.5%
Adjusted Non-IFRS Gross Profit	3,202	1,938	65.3%	3,209	1,745	83.9%
Adjusted Non-IFRS Gross Profit Margin	37.8%	39.1%	-1.3pts	37.8%	36.7%	1.1pts

Note: In first quarter 2022, approximately 81% of our revenues were denominated in currencies other than RMB. Because our financial statements are reported in RMB, changes in foreign currency exchange rates can significantly affect our financial results. As a result, we believe that reporting results of revenue and gross profit margin that exclude the effects of foreign currency rate fluctuations can facilitate analysis of period to period comparisons. This constant currency information excludes hedge impact, and assumes the same foreign currency exchange rates that were in effect for the comparable prior-year period were used in translation of the current period results.

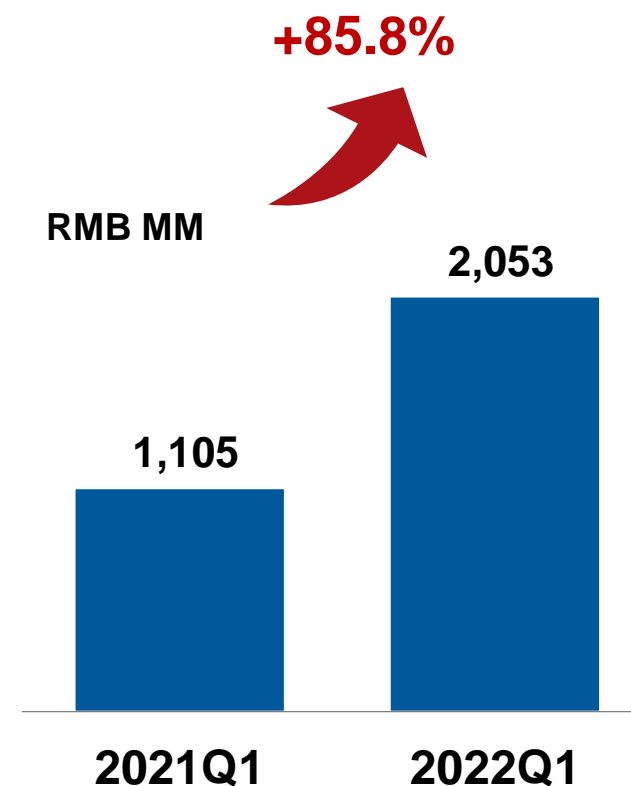
IFRS & Adjusted Non-IFRS Measures

RMB Million	2022Q1	2021Q1	YoY
Revenue	8,474	4,950	71.2%
<i>IFRS Gross Margin%</i>	35.6%	37.1%	
Adjusted Non-IFRS Gross Margin%	37.8%	39.1%	
IFRS Operating Profit	2,121	1,759	20.6%
<i>IFRS Operating Profit Margin%</i>	25.0%	35.5%	
Adjusted Non-IFRS Operating Profit	2,459	1,358	81.1%
Adjusted Non-IFRS Operating Profit Margin%	29.0%	27.4%	
Net Profit Attributable to Owners of the Company	1,643	1,500	9.5%
Adjusted Non-IFRS Net Profit Attributable to Owners of the Company	2,053	1,105	85.8%
IFRS EPS (RMB)			
-Basic	0.56	0.52	7.7%
-Diluted	0.53	0.51	3.9%
Adjusted Non-IFRS EPS(RMB)			
-Basic	0.70	0.38	84.2%
-Diluted	0.69	0.38	81.6%
Weighted Average Number of Shares'000	2,930,915	2,899,791	
Fully Diluted Weighted Average Number of Shares'000	2,952,656	2,950,787	

Note: "IFRS Operating Profit" is calculated based on IFRS Gross Profit deducted by SG&A, R&D expenses and impairment losses while adding Other income and Other gains and losses, which aligns with the disclosure in Group Consolidated Profit & Loss Statement.

Adjusted Non-IFRS Net Profit

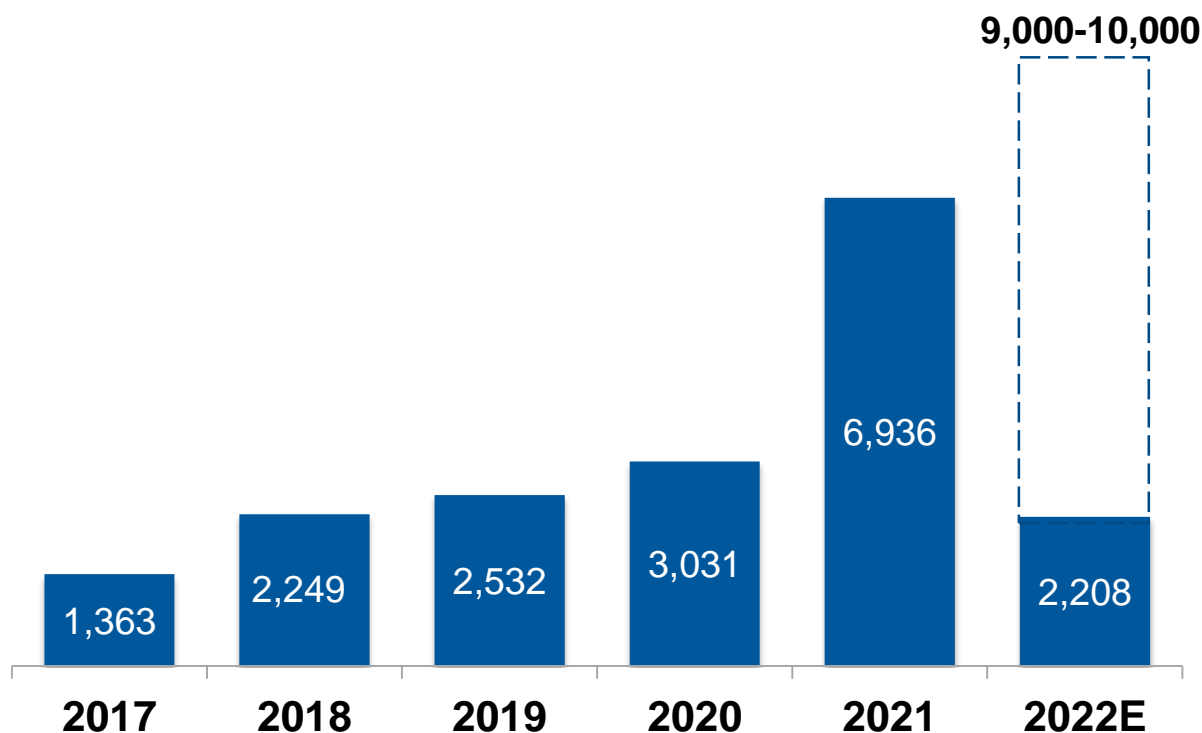
RMB Million	2022Q1	2021Q1
Net Profit Attributable to the owners of the Company	1,642.9	1,499.8
Add:		
Share-based compensation expenses	180.5	126.3
Issuance expenses of Convertible Bonds	0.4	1.0
Fair value (gains)/losses from derivative component of Convertible Bonds	(82.8)	451.1
Foreign exchange related losses	5.8	35.5
Amortization of acquired intangible assets from merge and acquisition	14.5	11.2
Non-IFRS Net Profit Attributable to the owners of the Company	1,761.3	2,124.9
Add:		
Realized and unrealized losses/(gains) from venture investments	293.7	(1,024.3)
Realized and unrealized share of (gains)/losses from joint ventures	(2.3)	4.1
Adjusted non-IFRS net profit attributable to the owners of the Company	2,052.6	1,104.7



Capital Expenditure and Total Debt

Capital Expenditure ¹

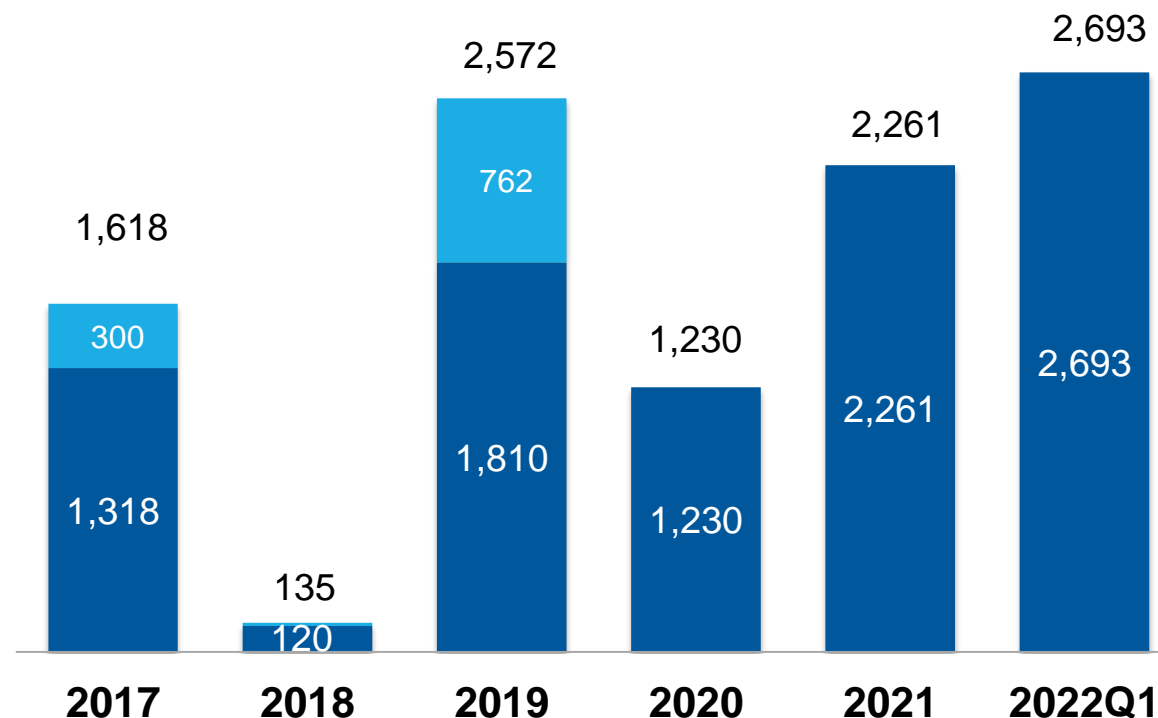
RMB MM



Total Borrowings ²

RMB MM

Long-term
Short-term



Note:

1.Capital expenditure includes purchase of property, plant and equipment, other intangible assets, prepaid lease payments and other long-term expenses.

2.Total borrowings include short-term and long-term borrowings, excluding the lease liabilities and convertible bond issued in Q3'2019.

4. Growth Outlook

2022 Outlook

1

If the Omicron outbreak in Shanghai would be largely controlled by April, we expect to grow 63-65% for 2022Q2 and 65-70% for 2022. Our mgmt team will closely monitor the development of the outbreak and will provide business updates when appropriate

2

Client demands for our CRDMO & CTDMO services remain very strong across all segments

3

Strong balance sheet and flexible financing options will enable us to fund our growth



Disclaimer: This presentation may contain certain “forward-looking statements” which are not historical facts, but instead are predictions about future events based on our beliefs as well as assumptions made by and information currently available to our management. Although we believe that our predictions are reasonable, future events are inherently uncertain and our forward-looking statements may turn out to be incorrect.