WuXi AppTec
2023 Annual Results
March 19, 2024
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 the owners of the Company, which exclude share-based compensation expenses, 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, non-financial assets impairment, etc. We also provide adjusted non-IFRS net profit attributable to the owners of the Company and earnings per share, which further exclude realized and unrealized gains or losses from our venture capital investments and joint ventures. Neither of above is required by, or presented in accordance with IFRS.

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.

Disclaimer

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Note: Unless otherwise stated, all financials disclosed in this presentation are prepared based on International Financial Reporting Standards (or “IFRSs”). The currency is RMB. All net profit disclosed in this presentation represents net profit attributable to the owners of the Company.
1. Results Overview
### Revenue Surpassed RMB40 Billion in 2023; Adjusted Non-IFRS Net Profit Exceeded 10 Billion for the First Time

<table>
<thead>
<tr>
<th></th>
<th>Revenue</th>
<th>Adjusted Non-IFRS Net Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>RMB billion</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2022</td>
<td>39.4</td>
<td>9.4</td>
</tr>
<tr>
<td>2023</td>
<td>40.3</td>
<td>10.9</td>
</tr>
</tbody>
</table>

**Net Profit**

- **RMB billion**
  - 2022: 8.8
  - 2023: 9.6

**Net Profit After Deducting Non-Recurring Items**

- **RMB billion**
  - 2022: 8.3
  - 2023: 9.7

**Note**:
1. Net profit attributable to the owners of the Company in 2023 is prepared according to the Accounting Standard for Business Enterprises of PRC. Due to different accounting treatment of long-term equity investments under IFRS, Net profit attributable to the owners of the Company in 2023 under IFRS is RMB10,690 million.
2. Net profit after deducting non-recurring items is prepared according to the relevant information disclosure rules issued by the China Securities Regulatory Commission.
2023 Business Highlights

Enable Customers to Grow Together

1,200+ new customers, 6,000+ active customers
Backlog +18% YoY excluding COVID-19 commercial projects, among which: TIDES backlog +226% YoY
Excluding COVID-19 commercial projects, revenue from Top 20 global pharma +44% YoY

Small Molecule CRDMO Pipeline

3,201 molecules, 1,255 newly added, including 61 commercial, 66 Phase III
Adding 20 commercial & Phase III projects
Excluding COVID-19 commercial projects, D&M revenue +55% YoY

ATU CTDMO Pipeline

5 Phase III, 9 Phase II, 49 Phase I & preclinical
Adding 1 commercial project, and 1 more approved in Feb. 2024
Advancing 2 potential commercial manufacturing projects

Build Platform & Improve Efficiency

32 global sites & branch offices
41,116 total employees, including 37,851 scientists & technicians
Adding 55,000 m² of testing facilities, continued to expand global capacity
32,000 L Solid Phase Peptide Synthesizer total reactor volume by Jan. 2024; Taixing API site commenced operations
Continued to improve operating efficiency, plus FX impact, adjusted non-IFRS NPM increased to 27%, and operating cash flow +24% YoY. Continued to improve asset utilization

Development of DDSU Pipeline

3 NDA approved, 2 in NDA review, 4 Phase III, 105 Phase II & Phase I
3 new drugs approved, continued to receive royalty income from customers for the approved new drugs
Our Platform & Business Model Continued to Perform Well

**Strong, Loyal & Expanding Customer Base**

Revenue breakdown
- Existing clients: 39.63Bn, excluding COVID-19 commercial projects, +30%↑
- Newly added clients: 0.71Bn

**Execute Long-Tail Strategy & Increase Support to Large Pharma**

Revenue breakdown
- Top 20 global pharma clients: 16.11Bn, excluding COVID-19 commercial projects, +44%↑
- Other clients: 24.23Bn, +18%↑

**Increase Customer Conversion to Sustain Growth**

Revenue breakdown
- Clients using multiple services: 37.47Bn, +27%↑
- Clients using single service: 7%
- Clients using multiple services: 93%
Diversified Revenue Streams from Customers Across Regions Ensure the Stability and Resilience of the Company’s Financial Performance

- **US**: 26.13Bn, +42%, excluding COVID-19 commercial projects, Revenue contribution: 65%
- **Europe**: 4.70Bn, +12%, Revenue contribution: 12%
- **China**: 7.37Bn, +1%, Revenue contribution: 18%
- **Japan, Korea & Others**: 2.14Bn, +8%, Revenue contribution: 5%
ESG Leading Position Further Enhanced in the Global ESG Rating Systems

Committed to the Science Based Targets initiative (SBTi) in Dec. 2023

- Consecutive “AA” ratings in 2021-2023
- Consecutive “A-” rating in CDP Climate Change in 2022-2023, first “A-” rating in CDP Water Security in 2023

SBTi
Committed in Dec. 2023

MSCI
ESG RATINGS
AA

Consecutive “AA” ratings in 2021-2023

EcoVadis
“Silver” medal by EcoVadis in 2023

Dow Jones
Sustainability Indices
Member of Dow Jones Sustainability Indices
"Silver" medal by EcoVadis in 2023

Named to S&P DJSI consecutively in 2021-2023

FTSE4Good
Named to FTSE4Good Index in 2023

CDP
Consecutive “A-” rating in CDP Water Security in 2023

Committed in Dec. 2023

Named to FTSE4Good Index in 2023

Consecutive “A-” rating in CDP Climate Change in 2022-2023, first “A-” rating in CDP Water Security in 2023
2. Business Highlights
WuXi Chemistry: Integrated CRDMO Business Model Drives Steady Growth, with Continued Expansion in TIDES

Financial Performance
- Revenue grew 1.1% YoY to 29.17bn, excluding COVID-19 commercial projects, grew strongly by 36.1%
- Adjusted non-IFRS GPM improved 4.0pts YoY to 45.1%, mainly due to FX impact, while efficiency continued to improve

Drug Discovery (R) Generating Downstream Opportunities
- In the past 12 months, successfully synthesized and delivered 420,000+ new compounds (grew 6% YoY), generating opportunities for downstream business units
- With strengthened capabilities of the integrated platform, R to D&M conversion continued to improve efficiency, molecules converted from R to D&M grew rapidly
- Growing demand from long-tail customers in discovery services of small molecule & new modalities, # of new customers grew 12% YoY

Strong Growth of Development and Manufacturing (D&M)
- D&M revenue declined 0.1% YoY to 21.62bn, excluding COVID-19 commercial projects, grew strongly by 55.1%
- Total pipeline of 3,201 molecules (with 1,255 newly added in 2023), including 61 commercial, 66 Phase III, 326 Phase II, and 2,748 preclinical & Phase I projects; 20 commercial & Phase III projects added in 2023
- Commenced operations at the new Taixing API site in Jan. 2024, preparing for future business growth

Continued Expansion of New Modalities (TIDES)
- TIDES revenue grew strongly by 64.4% YoY to 3.41bn. By end of 2023, TIDES backlog grew significantly by 226% YoY
- TIDES D&M customers grew 36% YoY to 140, and molecules grew 41% YoY to 267
- Completed capacity expansion in Changzhou and Taixing. The expanded workshops commenced operations in Jan. 2024, with the total reactor volume of Solid Phase Peptide Synthesizer increased to 32,000L

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**Revenue**

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<thead>
<tr>
<th></th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>RMB billion</td>
<td>28.85</td>
<td>29.17</td>
</tr>
</tbody>
</table>

**Adjusted Non-IFRS Gross Profit**

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>RMB billion</td>
<td>11.88</td>
<td>13.17</td>
</tr>
</tbody>
</table>

GPM @ CER: 42.6% 2022 42.7% 2023

Adjusted Non-IFRS GPM
WuXi Chemistry: Growing CRDMO Pipeline driven by “Follow the Molecule + Win the Molecule” Strategies

2023 Newly Added Molecules in Total 1,255

- 420,000+ Compounds
- 2,748 Preclinical & Phase I
- 326 Phase II
- 66 Phase III
- 61 Commercial

Note: 1. 420,000+ compounds successfully synthesized in labs in the past 12 months.

20 Commercial & Phase III Projects Added in 2023
TIDES (Oligo and Peptide): Fast Growing Pipeline and Strengthening Capabilities Bring in the Next Wave of Accelerated Growth

Oligo and Peptide “D&M” Molecules

Solid Phase Peptide Synthesizer Total Reactor Volume

# of molecules

<table>
<thead>
<tr>
<th>Year</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>39</td>
<td>99</td>
<td>189</td>
<td>267</td>
</tr>
</tbody>
</table>

>6x

+41%

Liter

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>500</td>
<td>2,000</td>
<td>4,000</td>
<td>6,000</td>
<td>&gt;5x</td>
</tr>
</tbody>
</table>
WuXi Testing: Drug Safety Evaluation Service & SMO Maintain Leadership Position and Drive Steady Growth

### Financial Performance
- Revenue grew **14.4%** YoY to **6.54bn**
- Adjusted non-IFRS GPM improved by **1.9pts** YoY to **38.6%**, mainly due to FX impact, while efficiency continued to improve

### Lab Testing Services
- Revenue of lab testing services grew **15.3%** YoY to **4.78bn**, among which, drug safety evaluation service revenue grew **27.3%** YoY, maintaining industry leading position in APAC
- **55,000m²** of new facilities in Qidong and Suzhou ramped up smoothly. In 2023, additional **20,000m²** of facilities were GLP-qualified
- New modality business continued to develop, while new vaccine capabilities continued to improve, and market share of nucleic acids, conjugates, and mRNA further expanded

### Clinical CRO & SMO
- Revenue from clinical CRO and SMO grew **11.8%** YoY to **1.76bn**, among which, SMO revenue grew **26.1%** YoY, maintaining an industry leading position in China
- SMO supported **54** new drug approvals; clinical CRO enabled customers to obtain **21** IND approvals and submit for **5** NDA filings
- SMO business sustains rapid growth, gaining market share in multiple therapeutic areas (lung cancer, breast cancer, dermatology, cardiovascular disease, ophthalmology, rheumatology, nervous system, endocrinology, medical aesthetics and vaccines etc.)

### Revenue Growth

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
<th>YoY Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>5.72</td>
<td>+14.4%</td>
</tr>
<tr>
<td>2023</td>
<td>6.54</td>
<td></td>
</tr>
</tbody>
</table>

### Adjusted Non-IFRS Gross Profit Growth

<table>
<thead>
<tr>
<th>Year</th>
<th>Adjusted Non-IFRS Gross Profit</th>
<th>GPM%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>2.10</td>
<td>36.7%</td>
</tr>
<tr>
<td>2023</td>
<td>2.53</td>
<td>38.6%</td>
</tr>
</tbody>
</table>

GPM @ CER: 37.4% 2022, 37.7% 2023
WuXi Biology: New Modalities Business Drives Growth; WuXi Biology Platform Continues to Generate Downstream Opportunities

Financial Performance
- Revenue grew 3.1% YoY to 2.55bn
- Adjusted non-IFRS GPM improved by 1.5pts YoY to 42.4% thanks to FX impact
- Revenue from new modalities grew 26% YoY, contributing 27.5% of WuXi Biology revenue

Discovery Biology
- One of the largest discovery biology enabling platforms with ~3,000 experienced scientists globally (across 9 sites in China, the US and Germany), covering all stages of drug discovery and all major therapeutic areas
- Focused on improving capabilities related to new modalities. Number of customers and projects served by our nucleic acid platform continued to increase. Cumulatively, we have provided services to 200+ customers, and successfully delivered 900+ projects since 2021

Comprehensive Screening Platform
- Early discovery screening platform integrating multi-technologies (HTS, DEL, ASMS, FBDD, CADD, etc.) and analysis capabilities of multi-dimensional databases, provides extensive and in-depth services to customers
- Established the automated high-throughput protein production platform, and launched DELvision, a new service that empowers customers to effectively decipher the mechanism of protein-small molecule interactions. Completed the Suzhou Guoxiang research platform in Q4, strengthening new capabilities of in vitro biology and in vivo pharmacology
- In 2023, continued to generate downstream opportunities and contributed 20%+ of the Company’s new customers

Revenue
<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue (RMB billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>2.48</td>
</tr>
<tr>
<td>2023</td>
<td>2.55</td>
</tr>
</tbody>
</table>

Adjusted Non-IFRS Gross Profit
<table>
<thead>
<tr>
<th>Year</th>
<th>Adjusted Gross Profit (RMB billion)</th>
<th>GPM @ CER</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>1.01</td>
<td>40.9%</td>
</tr>
<tr>
<td>2023</td>
<td>1.08</td>
<td>42.4%</td>
</tr>
</tbody>
</table>
WuXi ATU: CTDMO Business Model Drives Growth

Financial Performance

- Revenue grew **0.1%** YoY to **1.31bn**
- Adjusted non-IFRS GPM declined **3.7pts** YoY to **-9.6%**, mainly due to the revenue decline from high-margin projects and under-utilization of capacity.

Pipeline & Progress of Commercial Projects

- Focused on improving the integrated CTDMO platform. By end of 2023, we provided development, testing & manufacturing services for **64** projects, including **1** commercial, **5** Phase III (1 in BLA review stage, and 2 in BLA preparation stage), **9** Phase II, and **49** preclinical and Phase I. In Feb. 2024, the 2nd commercial product obtained approval.
- Supported a client to file BLA for plasmid and LVV used in a CAR-T product and **passed China’s CFDI** LVV on-site inspection. The product obtained approval in Nov. 2023.
- Supported a client to complete BLA filing for the world’s first innovative TIL-based therapy, and facilities in Philadelphia (U.S.) successfully passed FDA pre-license inspection (PLI). The product obtained approval in Feb. 2024.
- In June 2023, signed an LVV manufacturing contract used in a commercial CAR-T product. With the process performance qualification now in progress, it is expected to start manufacturing in H1 2024.
- Preparing for BLA filing for the manufacture of a blockbuster commercial CAR-T product, which is expected to complete process performance qualification in H1 2024 and is expected to file pre-approval submission (PAS) to FDA in H2 2024.

### Financial Performance

<table>
<thead>
<tr>
<th></th>
<th>Revenue</th>
<th>Adjusted Non-IFRS Gross Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2022</strong></td>
<td>1.31bn</td>
<td>-0.08 (-5.9%)</td>
</tr>
<tr>
<td><strong>2023</strong></td>
<td>1.31bn</td>
<td>-0.13 (-9.6%)</td>
</tr>
</tbody>
</table>

**Note:** 1. CFDI, Center for Food and Drug Inspection of NMPA.
WuXi ATU: Advancing Pipeline on Our Globally Integrated CTDMO Platform

Provided integrated CTDMO services globally to product development

- 2 projects are in BLA preparation stage

Note: Pipeline chart as of end of 2023. In Feb. 2024, the 2nd commercial product obtained approval.
WuXi DDSU: the First Year to Receive NDA Approval of New Drugs Developed for Customers; Breakthrough to Receive the First Royalty Income

Financial Performance
- Revenue declined **25.1%** YoY to **0.73bn** due to business transitions, with breakthrough to **start receiving** royalty income
- Adjusted non-IFRS GPM improved **6.3pts** YoY to **36.5%**, mainly due to favorable project mix

NDA Approval
- In 2023, **3 new drugs** developed for our customers **obtained NMPA approvals**, including 2 for COVID-19 infection treatment and 1 for tumor treatment. Continued to **receive royalty income from customers for the approved new drugs**. Moreover, 2 new drug candidates are in NDA review stage
- In Nov. 2023, **for the first time, we supported a customer to reach a licensing agreement with one of the top 10 global pharma companies in the field of oncology**

Project Pipeline
- In 2023, supported customers to file INDs for **18** drug candidates and obtained **25** Clinical Trial Approvals (CTAs)
- Cumulatively submitted **190** IND filings and obtained **169** CTAs, with **3** projects receiving NDA approvals, **2** project in NDA review stage, **4** in Phase III, **32** in Phase II, and **73** in Phase I
- **17** new modality projects covering peptide/PDC, PROTAC® and oligo, multiple projects have completed pre-clinical development and filed INDs, among which **5** projects have entered clinical stage

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### Revenue

<table>
<thead>
<tr>
<th>Year</th>
<th>RMB billion</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>0.97</td>
</tr>
<tr>
<td>2023</td>
<td>0.73</td>
</tr>
</tbody>
</table>

### Adjusted Non-IFRS Gross Profit

<table>
<thead>
<tr>
<th>Year</th>
<th>RMB billion</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>0.29</td>
<td>-9.5%</td>
</tr>
<tr>
<td>2023</td>
<td>0.27</td>
<td>-9.5%</td>
</tr>
</tbody>
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Note: PROTAC® is a registered trademark of Arvinas Operations, Inc., and is used under license.
3. Financial Performance
Financial Performance

Revenue
RMB MM

Adjusted Non-IFRS Gross Profit
RMB MM

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

2018 2019 2020 2021 2022 2023

Note: 1. Net profit attributable to the owners of the Company in 2023 is prepared according to the Accounting Standard for Business Enterprises of PRC. Due to different accounting treatment of long-term equity investments under IFRS, net profit attributable to the owners of the Company in 2023 under IFRS is RMB10,690 million.
Note: If the sum of the data above is inconsistent with the total, it is caused by rounding.
Note: If the sum of the data above is inconsistent with the total, it is caused by rounding.
## Adjusted Non-IFRS Net Profit

<table>
<thead>
<tr>
<th>RMB Million</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net profit attributable to the owners of the Company under PRC</td>
<td>8,814</td>
<td>9,607</td>
</tr>
<tr>
<td>GAAP difference</td>
<td>-</td>
<td>1,083</td>
</tr>
<tr>
<td>Net profit attributable to the owners of the Company under IFRS</td>
<td>8,814</td>
<td>10,690</td>
</tr>
<tr>
<td><strong>Add:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share-based compensation expenses</td>
<td>684</td>
<td>622</td>
</tr>
<tr>
<td>Issuance expenses of convertible bonds</td>
<td>2</td>
<td>0.3</td>
</tr>
<tr>
<td>Fair value gains from derivative component of convertible bonds</td>
<td>(509)</td>
<td>(40)</td>
</tr>
<tr>
<td>Foreign exchange related losses</td>
<td>136</td>
<td>294</td>
</tr>
<tr>
<td>Amortization of acquired intangible assets from merge and acquisition</td>
<td>57</td>
<td>58</td>
</tr>
<tr>
<td>Non-financial assets impairment and disposal losses</td>
<td>131</td>
<td>129</td>
</tr>
<tr>
<td>Talent incentive and retention expenses funded by cash donation from shareholders</td>
<td>70</td>
<td>151</td>
</tr>
<tr>
<td><strong>Non-IFRS net profit attributable to the owners of the Company</strong></td>
<td><strong>9,385</strong></td>
<td><strong>11,905</strong></td>
</tr>
<tr>
<td><strong>Add:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Realized and unrealized losses (gains) from venture capital investments</td>
<td>21</td>
<td>(1,083)</td>
</tr>
<tr>
<td>Realized and unrealized share of (gains) losses from joint ventures</td>
<td>(6)</td>
<td>32</td>
</tr>
<tr>
<td><strong>Adjusted non-IFRS net profit attributable to the owners of the Company</strong></td>
<td><strong>9,399</strong></td>
<td><strong>10,855</strong></td>
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</table>

**Note:**
1. Due to different accounting treatment of long-term equity investments under IFRS, GAAP difference was RMB1,083 million.
2. If the sum of the data above is inconsistent with the total, it is caused by rounding.
Continued Growth of FCF Driven by Business Growth & Operating Efficiency

2023 Operating Cash Flow Up 23.6% YoY Due to FX Impact & Efficiency Improvement; Constantly Improve Asset Utilization

Note: Capital expenditure includes purchase of property, plant and equipment, other intangible assets, prepaid lease payments and other long-term expenses.
4. Business Outlook
Proposed U.S. Legislation

- WuXi AppTec was named in proposed legislation (the “Draft Bill”) introduced to the U.S. House of Representatives and the U.S. Senate in Jan 2024. The preemptive designation of WuXi AppTec as a named “biotechnology company of concern” may result in certain impact on the Company's ability to work with customers that do business with the U.S. government. The Company have been actively working together with its advisors to set the record straight and advocate for changes to the proposed legislation.

- Multiple steps remain in the legislative process before the Draft Bill is enacted into law. The contents thereof, including the reference to the Company, therefore remain subject to further review and changes.

- The Company strongly disagrees with any preemptive and unfair designation of us as a named “biotechnology company of concern” without due process. The Company fully complies with the laws and regulations in the countries in which we operate, and is working diligently to engage with U.S. policymakers and demonstrate that:
  - The Company does not have a human genomics business and does not collect human genomic data in any of our businesses.
  - The Company is not affiliated with any political party, government, or armed forces thereof.
  - The Company has not posed, does not pose and will not pose a national security risk to any country.

- By adhering to our core value of "doing the right thing and doing it right", the Company has served as a trusted and valued partner in the global healthcare community, where for more than twenty years the Company has helped thousands of global customers with discovery, development, and manufacturing efforts to deliver innovative medicines that save and improve patients' lives. We remain committed to serving our customers and helping patients around the world.
Despite uncertainties in the external environment, revenue expects to reach RMB 38.3-40.5 billion in 2024, and maintain positive growth of 2.7-8.6% excluding COVID-19 commercial projects.

Continue to improve operating efficiency. Adjusted non-IFRS NPM in 2024 expects to remain at a similar level as last year, taking into consideration of new capacity ramp-up and FX impact.

With improved asset utilization and operating efficiency, free cash flow expects to remain positive and reach RMB 4-5 billion in 2024, which will continuously cover the cash dividends and investments in talents, while global capacity is expected to be expanded as planned (with capex of RMB ~5 billion).

The Company’s Board of Directors decides to maintain 30% payout ratio, and we distribute RMB ~9.8 cash dividend for every 10 shares (RMB 2.88 billion in total).

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