



# 2024 Annual Results

**Asymchem Laboratories (Tianjin) Co., Ltd.**

002821.SZ/6821.HK

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### *Forward-Looking Statement*

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.

All financials disclosed in this document are presented in accordance with International Financial Reporting Standards (“**IFRS**”s) except for those specifically noted otherwise.

### *Use of Adjusted Financial Measures*

We have provided adjusted net profit attributable to shareholders of the Company and adjusted net profit margin attributable to shareholders of the Company as additional financial measures, which are not required by, or presented in accordance with, the IFRS. We believe that the adjusted financial measures used in this presentation are useful for understanding and assessing underlying 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/or non-operating items that we do not consider indicative of the performance of our business. However, the presentation of these 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 the IFRS. You should not view adjusted results on a stand-alone basis or as a substitute for results under IFRS.

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# 1

## Performance Overview

 **ASYM-CHEM**

**5,805**

**Revenue  
(RMB mm)**

(25.4%)

Excluding  
large orders  +8.3%

**1,052**

**Backlog  
(\$ mm)**

 +20%

**949**

**Net Profit Attributable to  
Shareholders of the Company (RMB mm)**

**15.8%**

**Q4 Revenue yoy<sup>1</sup> increase**

qoq  +19.4%

**41.0%**

**Gross Profit Margin**

(9.9pts)

**16.4%**

**Net Profit Margin Attributable to  
Shareholders of the Company**

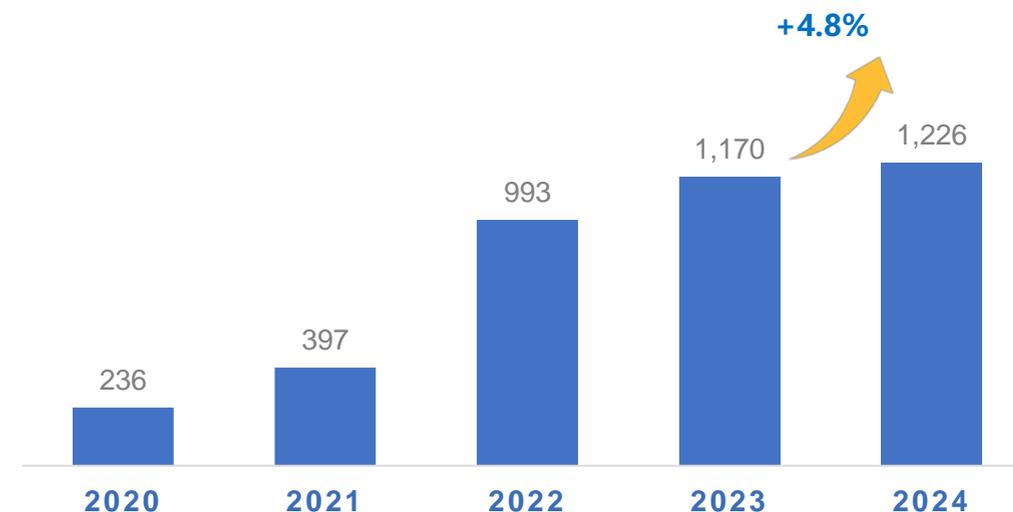
### Revenues from Small Molecule CDMO Services (RMB mm)



## Small Molecule CDMO Service

- Revenue reached **RMB4,571 mm** marking a yoy<sup>1</sup> increase of **9.2%** excluding large orders
- Achieved the gross profit margin of **46.4%** through continuous improvement in operational efficiency and cost control

### Revenues from Emerging Services (RMB mm)

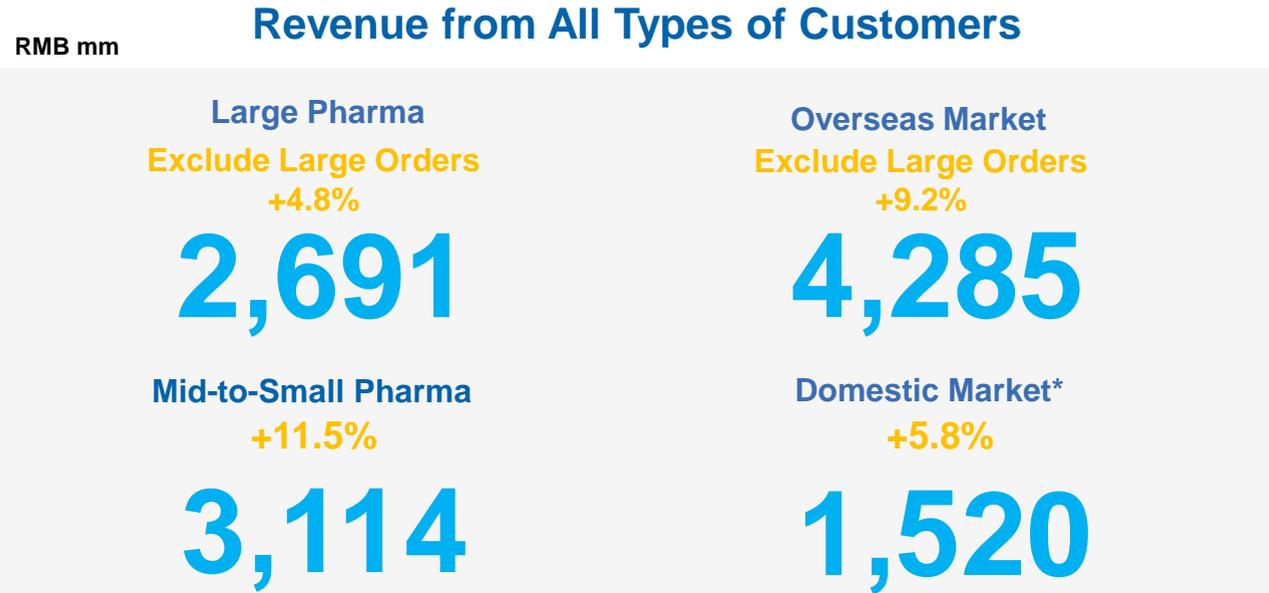


## Emerging Business

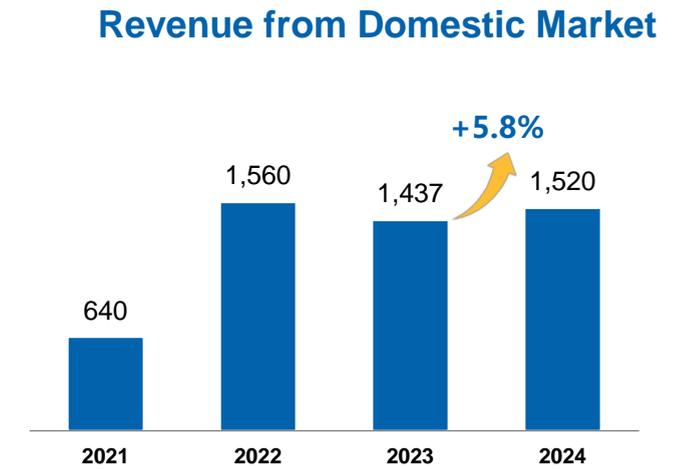
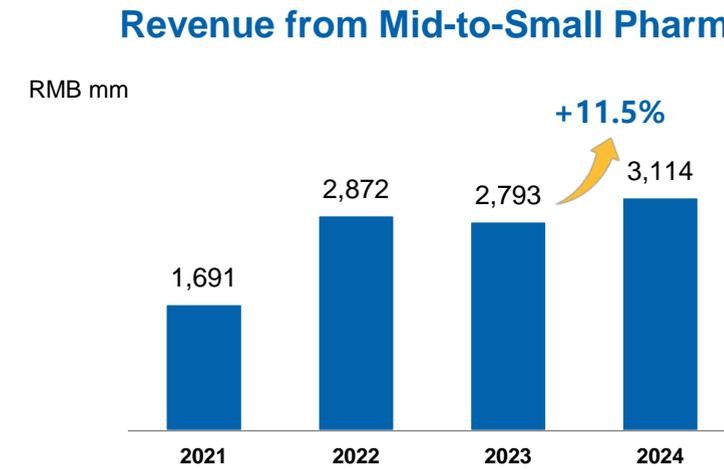
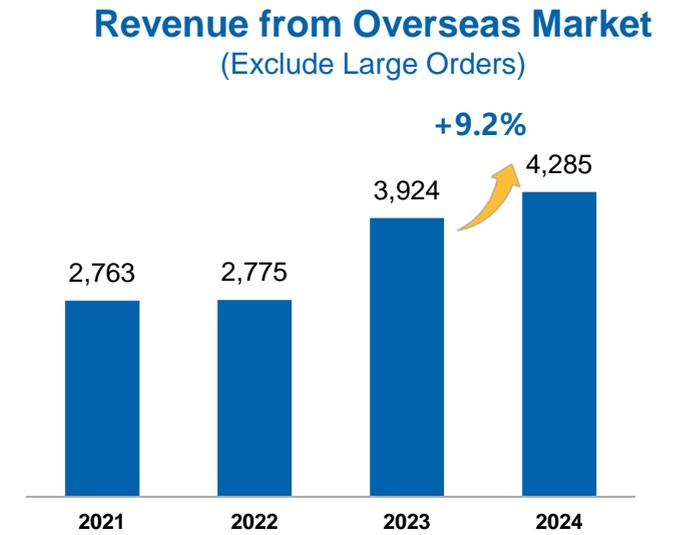
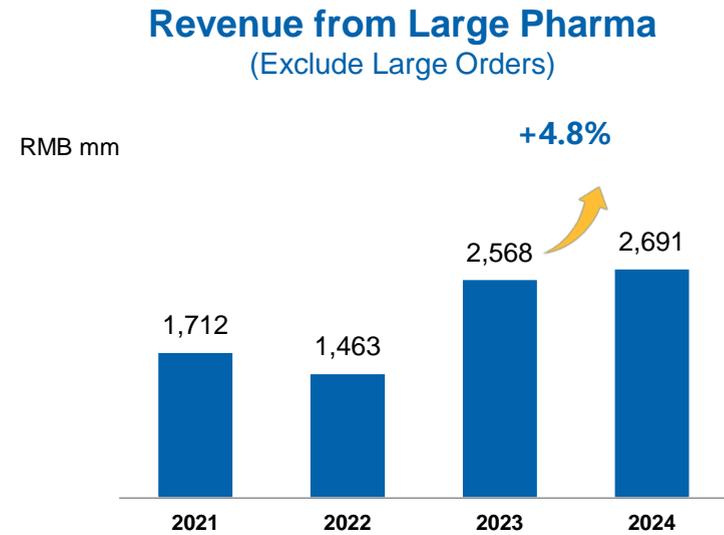
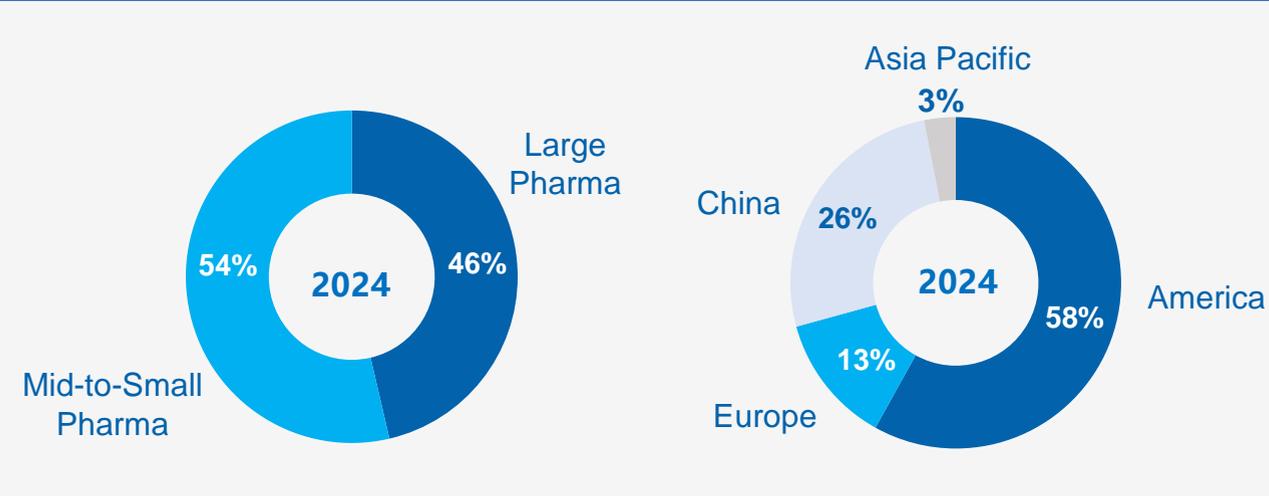
- Emerging business contributed **RMB1,226 mm** in revenue, experiencing a **4.8%** increase vs. 2023. Revenue from overseas customers was **RMB246 mm**, rising by **15.4%** yoy, and the revenue from domestic customers was **RMB980 mm**, with a slight increase of **2.4%** yoy. The slow growth in domestic revenue was mainly attributed to the slower-than-expected recovery in the domestic biotech financing
- The GP margin<sup>2</sup> was **21.2%** due to the continued downturn with domestic market and some businesses in capacity ramp up phase. As capacity utilization continues to improve, GP margin in 2024H2 has exhibited a positive trend
- As of the annual results date, based on the backlog, the **PPQ<sup>1</sup>** will reach **13**, forming a sufficient **reserve of commercial orders**

1、PPQ: Process Performance Qualification

2、GP Margin: Gross Profit Margin

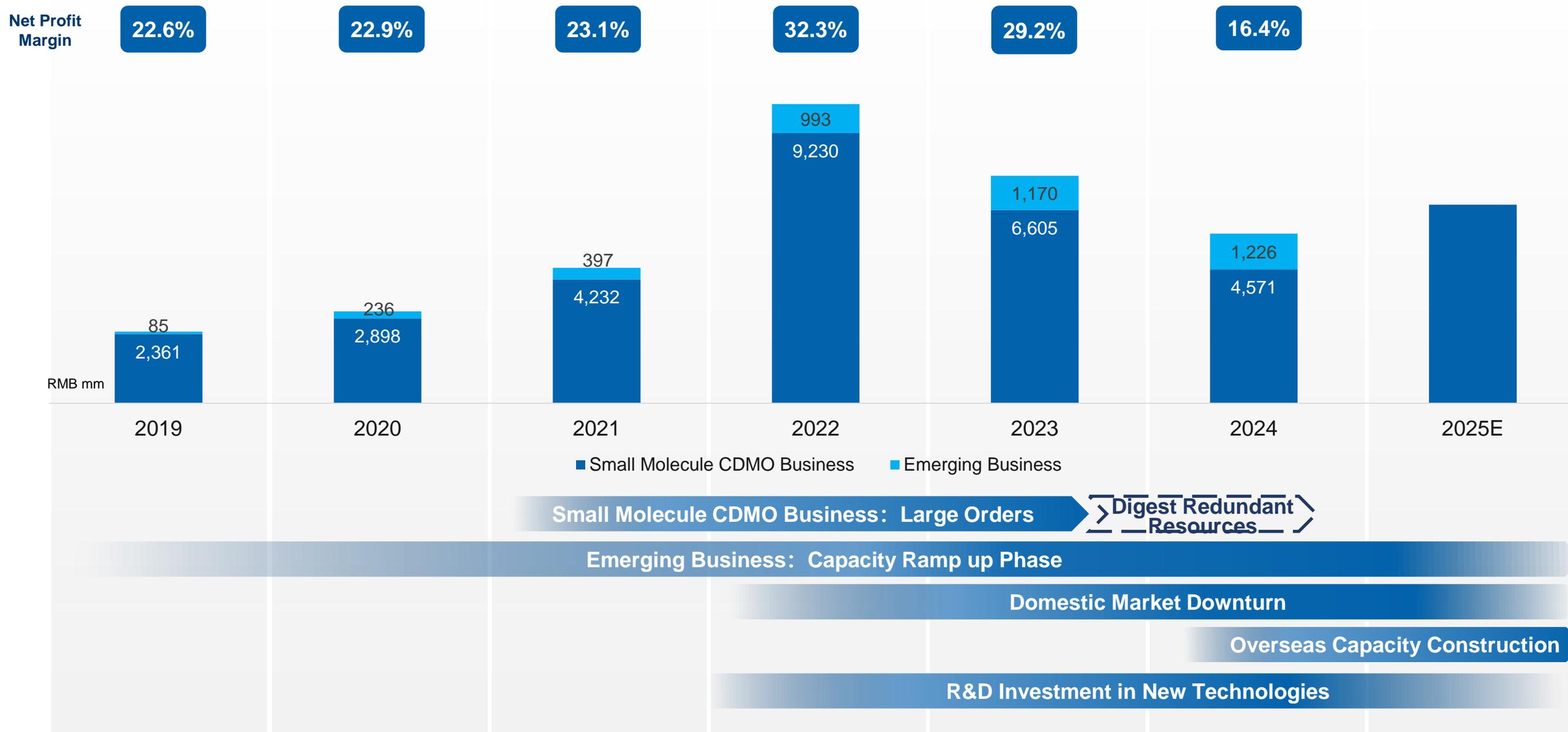


- In 2024, expanded **200+** CDMO customers and continued to grow its customer base
- 20%** yoy increase in new orders signed in 2024. Particularly, orders from U.S. & European customers grew at a faster pace than the overall order growth, and the order backlog continuous to remain an upward trend



- European market experienced a breakthrough in revenue, reached **RMB735 mm** with **101.3%** yoy growth
- U.S. Clients** Revenue was **RMB3,371 mm**, showing a yoy growth of **18.4%** vs. 2023 excluding large orders

# Several Factors Impacted the Decline of Net Profit

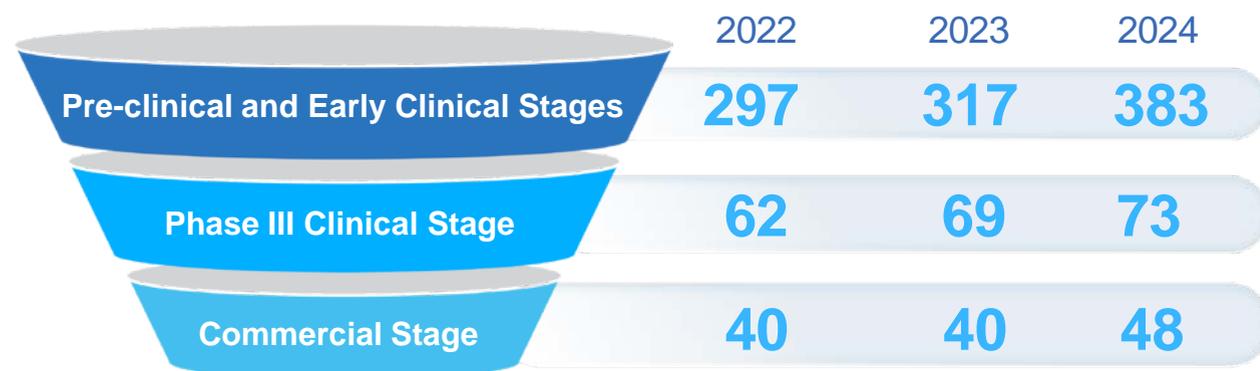


# 2

## Business Highlights

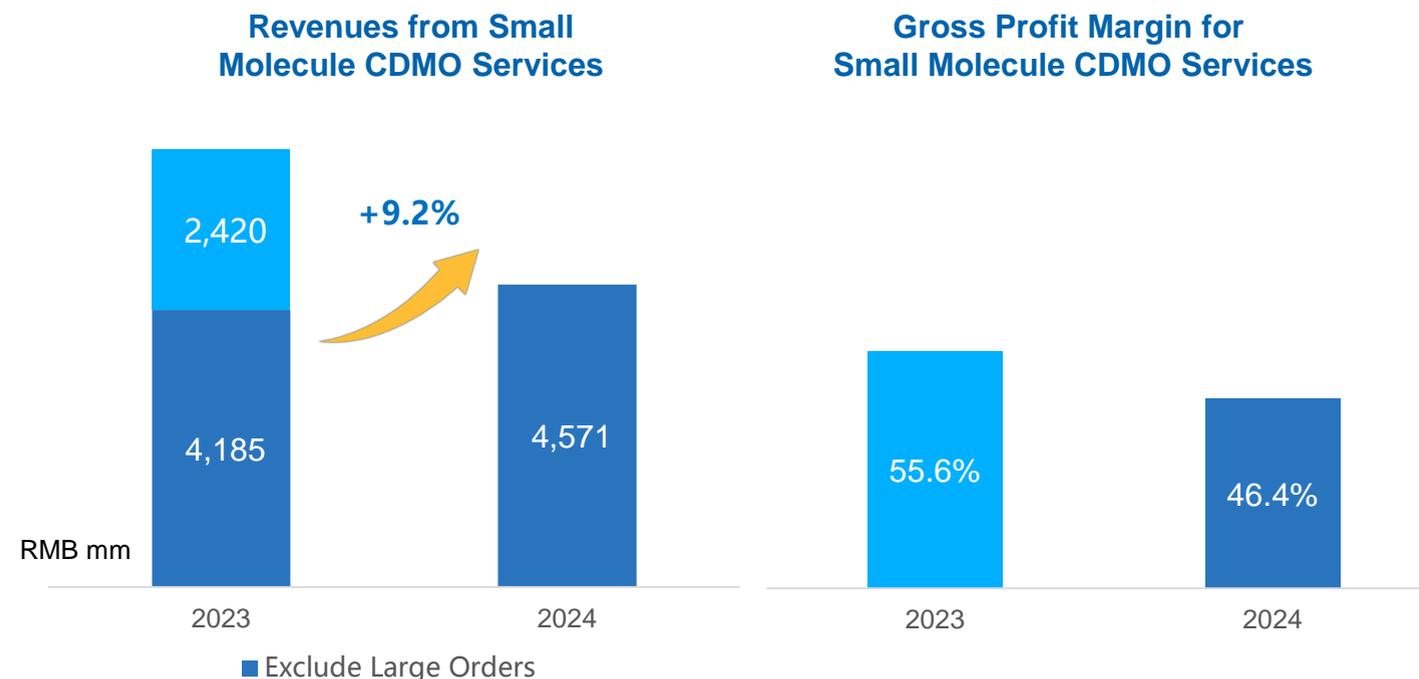


# Small Molecule Business Ensures Consistent Growth



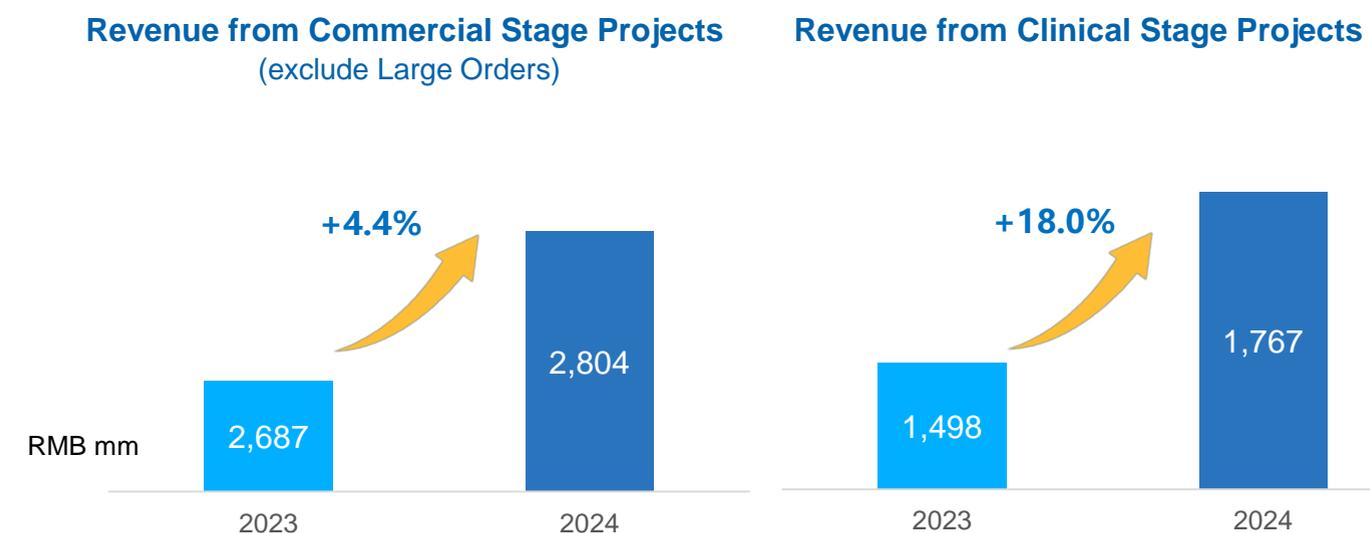
Despite facing many industry challenges, small molecule CDMO business:

- Generated revenue of **RMB4,571 mm**, marking a yoy increase of **9.2%** excluding large orders
- GP Margin achieved **46.4%** through improvement of operational efficiency and cost control



## Commercialization Projects as the Backbone to Continues Revenue Growth

- Successfully progressed **48** commercialization projects with **8** projects more than 2023, resulting in revenue of **RMB2,804 mm**, and if excluding the effect of large orders, the revenue increased by **4.4%**



## Reserves of Clinical Projects Ensured for Long-term Growth

- Delivered a total of **456** clinical stage projects, including **73** clinical phase III. The recognized revenue from clinical projects reached **RMB1,767 mm** with an increase of **18.0%**
- It is expected that **12** projects will reach the **PPQ stage** by 2025, which has established a sufficient reserve of commercial orders, providing strong support for long-term and steady performance growth

↑ **+15.7%**

Revenue

**61**

New Clients

**+130%**

Order Backlog

## Business Progress

- During the Reporting Period, revenue from chemical macromolecule CDMO business grew by **15.7% yoy**, with a notable *qoq*<sup>1</sup> increase of **200%+**
- As of the date of this announcement, the order backlog has risen by **130%+**, with overseas orders accounting for **260%+**, and revenue from this segment is **expected to double** by 2025
- Participated in **multiple global polypeptide projects in obesity** from the early stage to the late stage, assisted several small nucleic acid and ADC customers in licensing-out deals, and **continued to serve overseas customers**
- Continuously expanded projects in the **middle and later stages of various sectors** and expected over **10 PPQ projects** in 2025. We supported a major domestic client in smoothly **passing the first GLP-1 peptide project's dynamic verification**, laying the foundation for delivery of the **1st commercial peptide project** in 2025

## Capacity Expansion

- Developed and reserved **multiple peptide and small nucleic acid synthesis technology platforms**, including enzyme-linked platforms, to address issues in different types of synthesis technologies and have made technological reserves in various types of purification and separation techniques
- The total solid-phase peptide synthesis capacity expanded to approximately **21,000L** by the end of 2024 and is projected to reach **30,000L** in 2025H2
- We expedited the construction of high potency capacity. An additional **OEB5**<sup>2</sup> plant and **R&D building** will be added in 2025 to meet the escalating demand for toxin-linker projects in later stage

1、*qoq* : Quarter-on-quarter

2、OEB5: Occupational Exposure Band 5

**~200**

**Projects Delivered**

**+~30%**

**Order Backlog**

**+100%**

**No. of Oligonucleotide  
Projects**

## Business Progress

- Revenue slightly declined due to the domestic investment and financing environment and intensified market competition
- **More projects are expected in the later stage**, and the Company completed **5** PAI<sup>1</sup> and added **6** new NDA projects, currently serving **27** NDA stage projects, along with **1** new commercialized project.
- As of the date of this announcement, the order backlog has increased by approximately **30%** yoy. In addition to the traditional small molecule drug products, the No. of oligonucleotide projects was **doubled**, with multiple oral peptides, topical peptides, and topical nucleic acid projects achieving clinical stage

## Capability Development

- The construction of **pre-filled syringes** and **pen syringes production** and **β-lactam solid drug product** was initiated and will be put into production successively in 2025
- The Company had continued to advance the accumulation of **new formulation technologies**, including complex formulations, new molecular type drug products, and delivery technologies

# 197

## New Projects Undertook

# 269

## No. of Clinical Research Projects Conducting

# 94

## Phase II and Later Stage Projects

### Business Progress

- During the Reporting Period, affected by industry factors, revenue from CRO business decreased slightly yoy
- We successfully secured **5** implied China **IND approvals**
- Overseas business continued to grow with **12** new overseas application and clinical services orders. In addition, we initiated **2** U.S. IND registration and application projects for cell therapy, with 1 project successfully approved, and also contributed to **4** implied **FDA IND approvals** for our customers
- We facilitated **17** projects in obtaining implied China IND approvals, and assisted **1** Phase III oncology project, IDMC<sup>1</sup> in passing EMA<sup>2</sup> review

### Capability Development

- The Company strengthened its established expertise in **oncology, immunology, infectious diseases, orthopedics, respiratory system, hematology and gynecology**. At the same time, new breakthroughs have been achieved in **metabolism, digestion, dermatology, ophthalmology, urology and genesiology**
- In terms of data intelligence, we applied a **full-process intelligent pharmacovigilance platform** to over **10** innovative drug projects, along with the establishment of **clinical trial project management and laboratory management platforms**

↑ +17.4%

Revenue

~60

Orders Hold

60%+

Proportion of  
ADC Projects

## Business Progress

- Regarding project delivery and orders, the Company added **15 ADC IND** projects and **3 BLA** projects
- Assisted various customers' clinical projects in **license-out**, showcasing its international service capabilities
- Established a comprehensive international biological quality control system. In February 2024, we **passed the EU QP audit and received the GMP compliance statement**
- Throughout the year, we also underwent dozens of customers' and third-party audits, with no significant findings, further strengthening its excellent reputation for quality control

## Capability Development

- **Advanced the construction of conjugate drugs commercialization capacity.** As of the date of this announcement, the **biological pharmaceutical CDMO R&D and commercial production site in Fengxian, Shanghai has been put into use**, providing global partners with **CDMO development and manufacture services for biological drugs, including antibodies and nanobody drug conjugates ("NDCs")**

## Export of New Technologies

**150**

No. of Customers

**20+**

No. of New Projects

**80%**

Proportion of New Customers

- The newly operational CFCT equipment test workshop features nearly 1,000m<sup>2</sup> testing areas
- Comprehensive supporting facilities, enabling multiple sets of continuous equipment for design verification and performance testing, further strengthening capabilities in process development, project undertaking, technological innovation and delivery

## Synthetic Biology Technology

**+33.5%**

Revenue

**>80%**

Revenue from Overseas customers

**~100**

New Customers

- Multiple enzyme technologies have been utilized in the pharmaceutical synthesis processes internationally renowned MNCs<sup>1</sup>
- Immobilized enzyme continuous reaction technology has successfully been applied in the production of multiple ton-scale products. This technology elevates production capacity up to 1,500 times, saving the amount of enzyme by over 70%, and reducing the three wastes
- The construction of 500L GMP fermentation workshop and 5,000L GMP workshop has been completed, and the overall production capacity exceeds 20,000L, meeting the production requirements for biological products simultaneously, including enzymes, recombinant proteins, peptides and biobased small molecules

As at the end of the Reporting Period, our Group has obtained a total of 487 authorized patents, 159 are in the field of synthetic biology and 183 in the continuous flow technology. For 2024, R&D expenses amounted to was RMB614 mm, representing 10.6% of the revenue, the proportion of senior researchers with a master's degree and Ph.D. diploma within the R&D team increased by approximately 2% yoy



## Current Ability

- HTS and DoE experimental design
- Drug synthesis route rapid design
- Mature process and analytical development capabilities

## Progress at Present

- Achieved multiple orders for **analysis, process development and kilo production**
- Pilot plant began **receiving production orders** in the 2024 Q4
- **Several production orders** have been successfully progressing
- **Several major clients from Europe and the U.S.** have visited the site and placed inquires and orders, covering small molecule CDMO business and multiple fields such as **peptides, biocatalysis**, etc.

## Future Plans

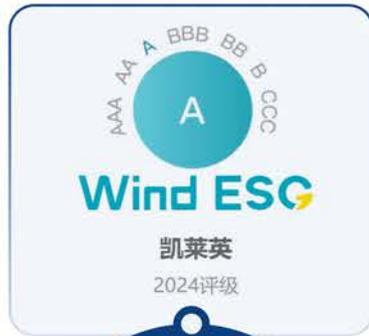
- **Continuous flow reaction equipment and technology platform development capabilities** have been injected into the lab development process
- Green advanced manufacturing technologies, including **synthetic biology** and **enzyme catalysis technologies**, are in preparation
- Will further expand into **peptides, nucleic acids** and etc.

**Driving the expansion of commercialized overseas production capacity based on Sandwich Site**

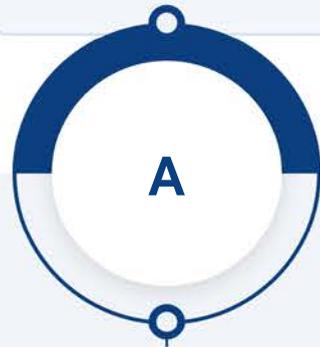




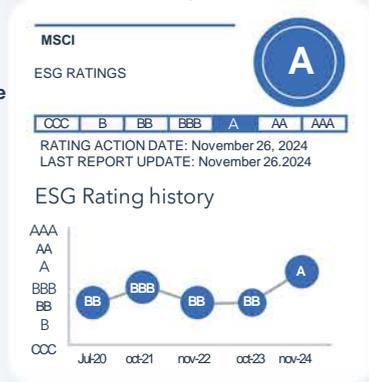
1 subsidiary awarded **Eco Vadis Silver Certification** in 2023



Top **10** in the China public listed pharmaceuticals



Awarded **A** in the MSCI ESG Rating



**Outperformed the average** in the S&P Global ESG Score



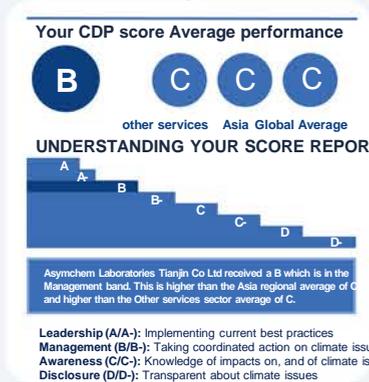
**4** subsidiaries submitted commitment to the **SBTi** in June 2023

**Target Dashboard**

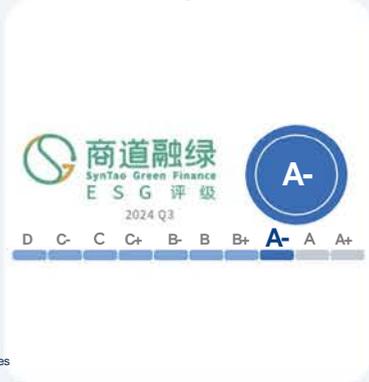
COMPANY/FINANCIAL INSTITUTION	NEAR TERM
Asymchem Laboratories (Jilin) Co., Ltd. China, Asia	COMMITTED
Asymchem Life Science (Tianjin) Co., Ltd. China, Asia	COMMITTED
Jilin Asymchem Laboratories Co., Ltd. China, Asia	COMMITTED
Tianjin Asymchem Pharmaceuticals Co., Ltd. China, Asia	COMMITTED



**Outperformed the average levels** in Asia and other service sectors



Awarded **A-** in the SynTao Green Finance ESG Rating



# 3

## Financial Performance



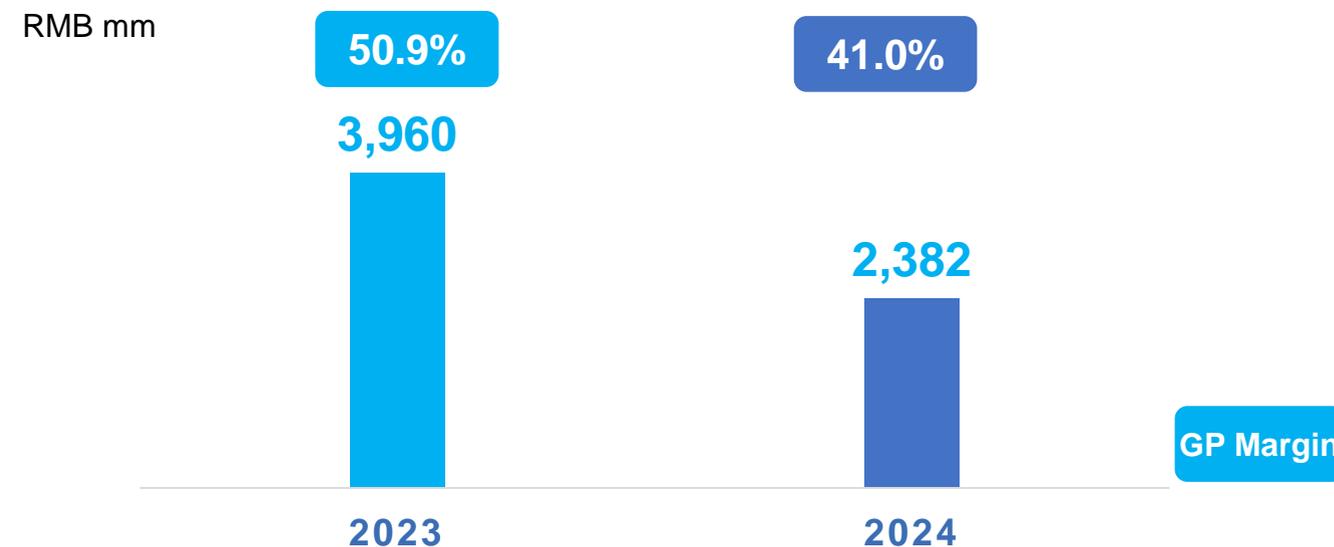
## Revenue

RMB mm



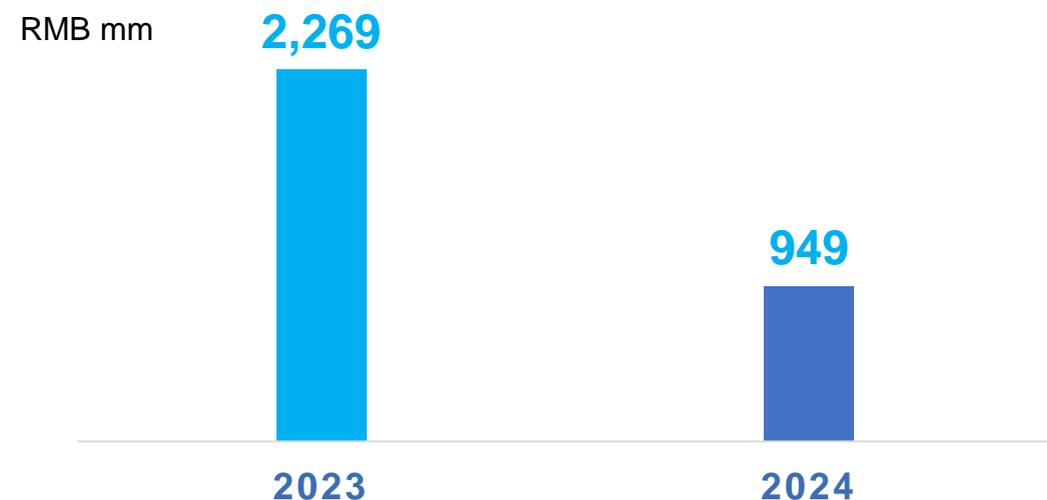
## Gross Profit & Gross Profit Margin

RMB mm



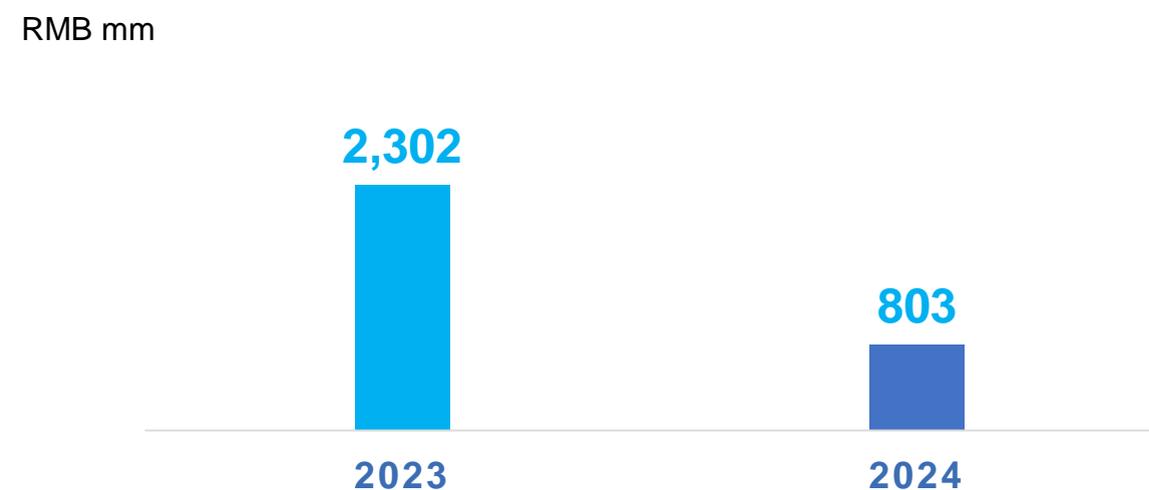
## Net Profit Attributable to Shareholders of the Company

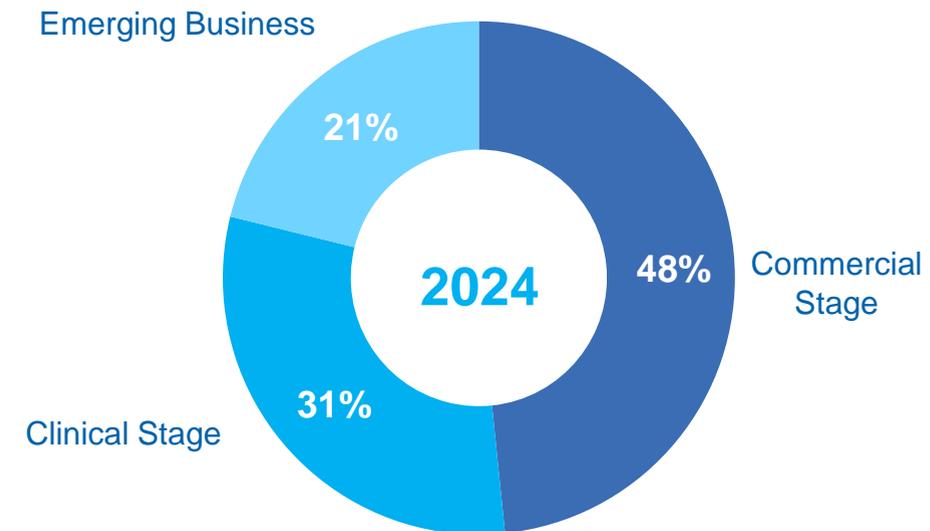
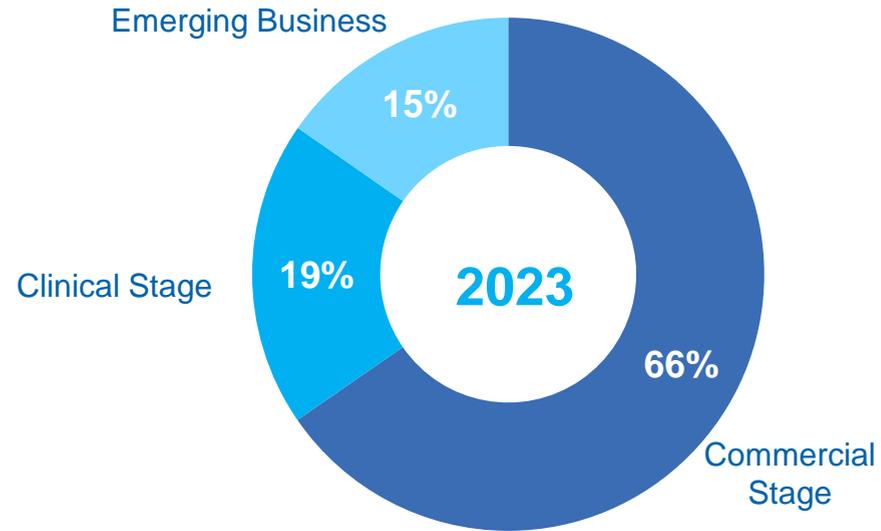
RMB mm



## Adjusted Net Profit Attributable to Shareholders of the Company<sup>1</sup>

RMB mm





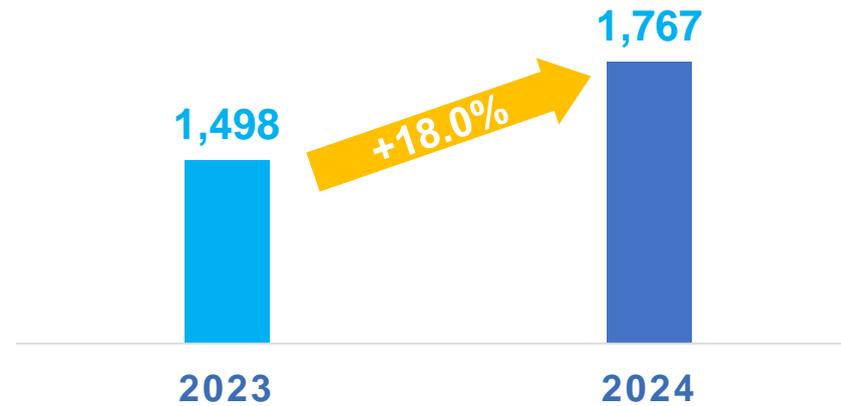
## Commercial Stage CDMO Services

RMB mm



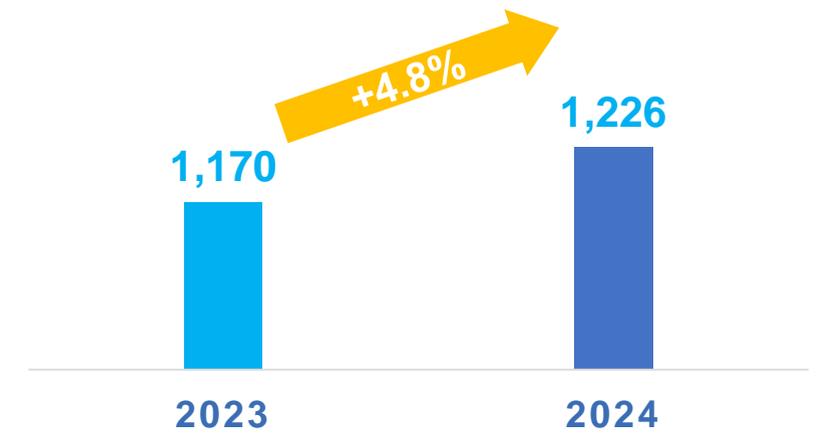
## Clinical Stage CDMO Services

RMB mm



## Emerging business

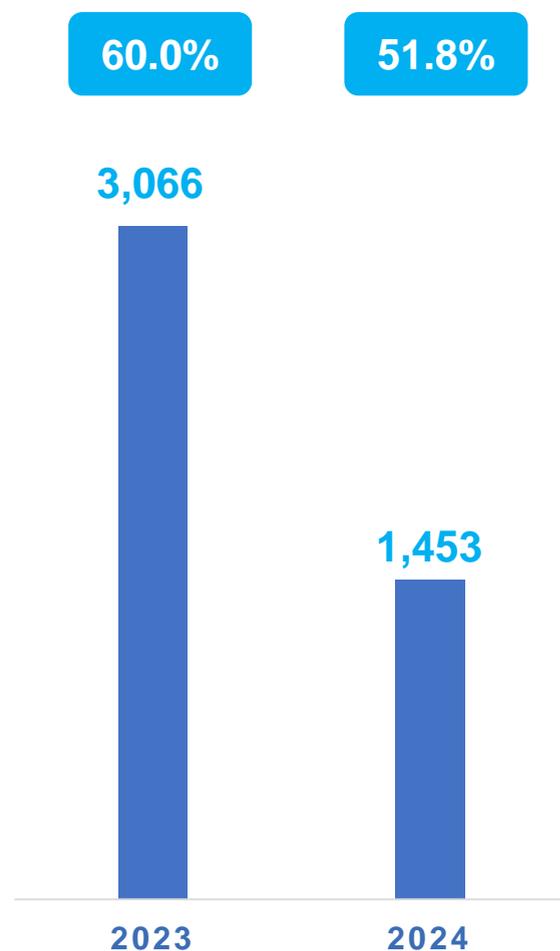
RMB mm



# Segment Gross Profit and Gross Profit Margin

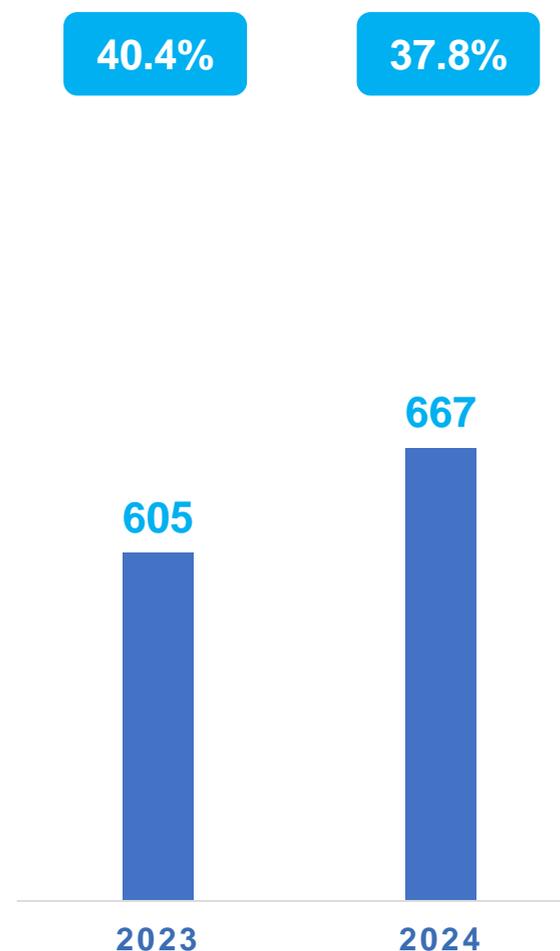
## Commercial Stage CDMO Services

RMB mm



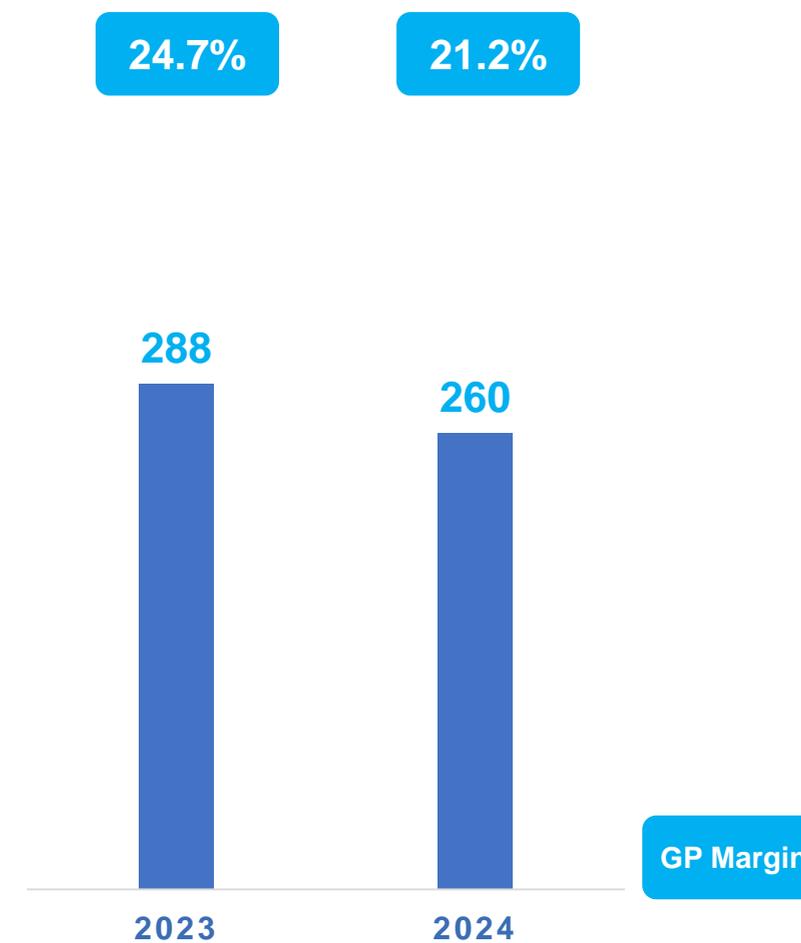
## Clinical Stage CDMO Services

RMB mm

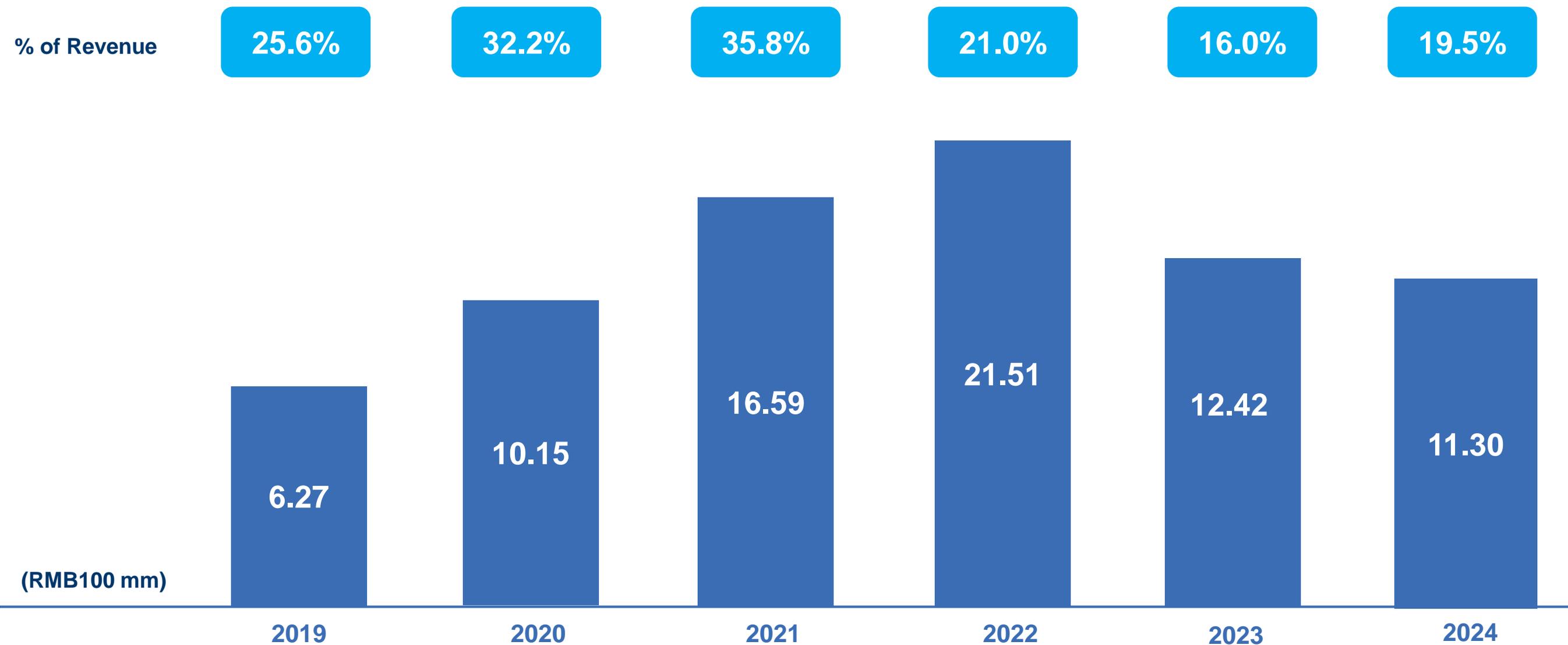


## Emerging Business

RMB mm



GP Margin



# 4

## Outlook





We expect revenue in 2025 to achieve double-digit growth, driven by the industry's recovery and positive signals observed in the Company's ongoing business progress

Continuously implement management measures focused on cost control and efficiency, enhancing business profitability, and aiming for profit growth that outpaces revenue growth

Drive market development and enhance business competitiveness, especially in peptide, oligonucleotide, ADC, and other emerging business, to lay a solid foundation for the sustainable growth of the business

Based on the Sandwich site, further promote the commercial production capacity expansion overseas, balancing the strategy execution and operational cost control

# Appendix



# CONSOLIDATED STATEMENT OF PROFIT OR LOSS

RMB mm

	2024	2023
<b>Revenue</b>	<b>5,805</b>	<b>7,781</b>
<b>Cost of sales</b>	<b>(3,423)</b>	<b>(3,821)</b>
<b>Gross profit</b>	<b>2,382</b>	<b>3,960</b>
Other income and gains	480	410
Selling and distribution expenses	(243)	(196)
Administrative expenses	(861)	(820)
Research and development expenses	(614)	(708)
Impairment losses on financial and contract assets, net	(12)	(9)
Other expenses	(74)	(71)
Finance costs	(10)	(6)
Share of profits/(losses) of associates	24	(2)
<b>Profit before tax</b>	<b>1,072</b>	<b>2,557</b>
Income tax expense	(136)	(306)
<b>Profit for the year</b>	<b>936</b>	<b>2,251</b>
<b>Attributable to:</b>		
<b>Owners of the parent</b>	<b>949</b>	<b>2,269</b>
<b>Non-controlling interests</b>	<b>(13)</b>	<b>(18)</b>

RMB mm

	2024	2023
<b>Non-current assets</b>		
Property, plant and equipment	5,940	5,366
Right-of-use assets	700	526
Goodwill	146	146
Other intangible assets	27	54
Deferred tax assets	248	213
Investments in associates	537	260
Prepayments, deposits and other receivables	483	689
Financial assets at fair value through profit or loss	158	131
Equity investments at fair value through other comprehensive income	-	30
<b>Total non-current assets</b>	<b>8,239</b>	<b>7,415</b>
<b>current assets</b>		
Inventories	1,193	945
Trade receivables	1,837	2,011
Contract assets	102	81
Prepayments, deposits and other receivables	587	297
Tax recoverable	2	3
Financial assets at fair value through profit or loss	1,540	1,906
Cash and bank balances	5,789	7,110
<b>Total current assets</b>	<b>11,050</b>	<b>12,352</b>
<b>Total assets</b>	<b>19,289</b>	<b>19,767</b>

RMB mm

	2024	2023
<b>Current liabilities</b>		
Trade payables	451	452
Other payables and accruals	1,166	1,276
Interest-bearing bank borrowings	-	12
Lease liabilities	42	29
Tax payable	50	31
<b>Total current liabilities</b>	<b>1,709</b>	<b>1,801</b>
<b>Non-current liabilities</b>		
Deferred income	299	233
Lease liabilities	283	106
Deferred tax liabilities	135	117
<b>Total non-current liabilities</b>	<b>717</b>	<b>456</b>
<b>Equity</b>		
Equity attributable to owners of the parent Share capital	368	369
Treasury shares	(1,232)	(494)
Reserves	17,710	17,605
Non-controlling interests	17	30
<b>Total equity</b>	<b>16,863</b>	<b>17,510</b>



**THANK YOU !**

 **ASYM-CHEM**