

GenScript Biotech Corporation

2024 Annual Results

Stock Code: 1548.HK



Disclaimer

Forward-Looking Statement

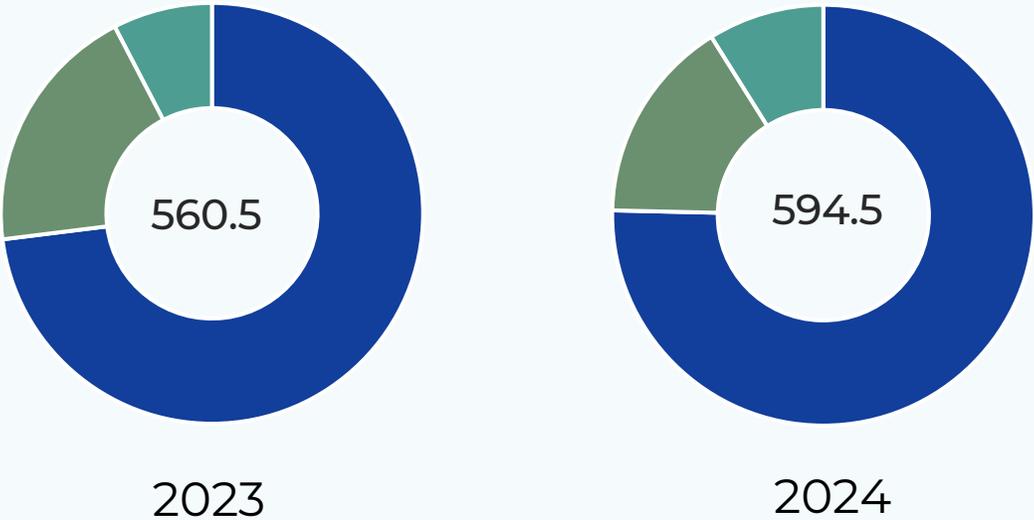
This presentation may contain certain “forward-looking statements” which are not historical facts, but instead are predictions about future events based on our beliefs as well as assumptions made by and information currently available to our management. Although we believe that our predictions are reasonable, 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, and our ability to protect our clients’ intellectual property. 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.

Use of Adjusted Financial Measures (Non-HKFRS Measures)

We have provided adjusted net profit, which excludes the share-based compensation expenses are not required by, or presented in accordance with, HKFRS. 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 and non-recurring items that we do not consider indicative of the performance of our business. However, the presentation of these non-HKFRS financial measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with HKFRS. You should not view adjusted results on a stand-alone basis or as a substitute for results under HKFRS, or as being comparable to results reported or forecasted by other companies.

Group Overview

Group Revenue from continuing operations (\$M)



■ GenScript LSG ■ ProBio ■ Bestzyme



- 5500+ employees globally
- ~10% in R&D functions
- 35%+ with advanced degrees



- 250+ patents
- 480+ patent applications



• Group Cash Position \$737.8 millions

Our Sustainability Milestones



Signatory of the UNGC



Bronze Medal from EcoVadis



Joined PSCI as Supplier Partner

MSCI
ESG RATINGS



CCC B BB BBB **A** AA AAA

"A" rating from MSCI

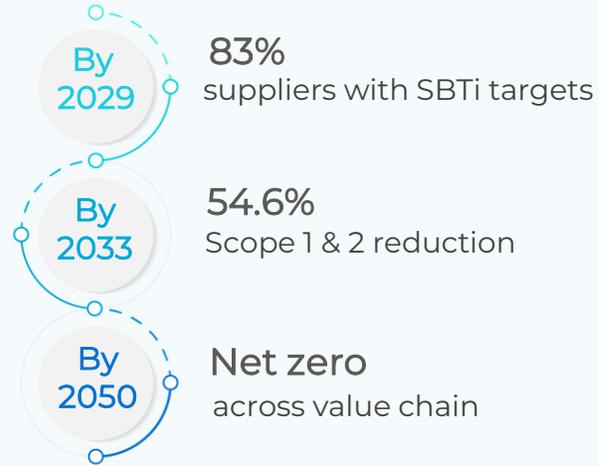


- ISO 27001 Information Security Management
- ISO 14001 Environmental Management
- ISO 50001¹ Energy Management
- ISO 45001¹ Occupational Health & Safety
- ISO 14064 GHG Emissions Management
- ISO 14067 Product Carbon Footprint

¹ Certifications obtained by our enzyme manufacturing facility
² 2023 as base year
³ SBTi: Science Based Target Initiative

Climate Ambition

Targets² approved by SBTi³



Climate Action

- Science-based carbon reduction roadmap
- Corporate GHG inventory and product carbon footprint accounting
- ISO 14000 certification covering 31% sites
- Improve energy mix
- Energy efficiency programs
- Recyclable packaging

Social

- 94% overall customer satisfaction
- 100% Supplier Code of Conduct sign-off
- 43% female representation in top executives

Governance

- Enhancing Board diversity
- ESG Committee at the Board level
- 100% Commitment to Business Conduct Guidelines

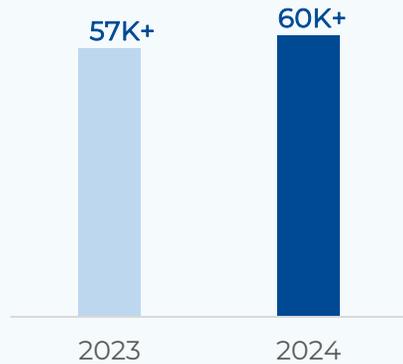
Make People and Nature Healthier through Biotechnology

01 Business Highlights

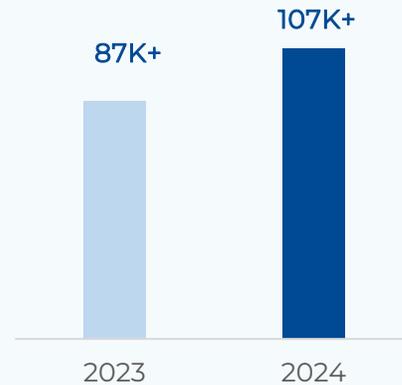
Life Science Group

Enduring Market Leadership in Serving Science

Expanding Customer Base¹



Scientific Journal Citations²



Fostering Scientific Breakthroughs

- **Life Science Research Grant program**
 - Supported 117 awardees in 2024
- **GenScript Biotech Global Forum**
 - Built an open and inclusive collaboration platform to drive innovation
- **GenScript Scientific Advisory Board**
 - Dr. Carl June, Dr. George Church and Dr. David Liu

Unique Customer Value Proposition

Industry-leading Speed

- FLASH gene synthesis – 4 BD
- Gene to Protein – 5 BD
- Rush mRNA synthesis – 10 BD

Re-defining Affordability

Automated production

- Flash gene – 3X cost saving
- Protein – 40%+ cost saving

Innovation-driven Growth

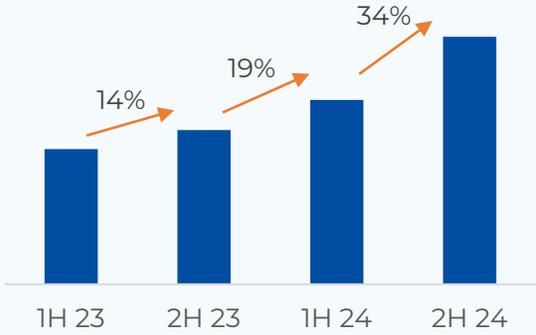
- TurboCHO™ platform yield improve >100%
- Self-amplifying RNA (saRNA)
- Up to 231 nt guide RNA optimized for gene editing
- AmMag™ Quatro – plasmid purification

¹ Management reports. Customers who placed order during the period
² Accumulated citations

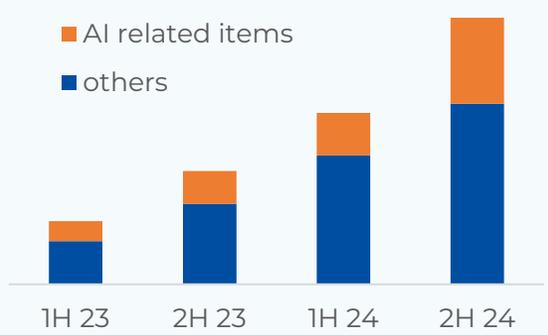
Life Science Group

Drive Differentiation through Platform Synergies

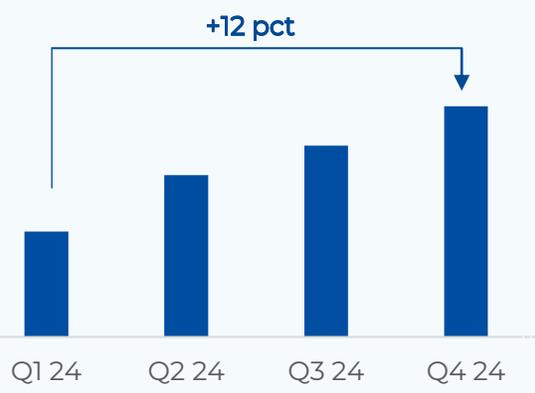
Robust Growth in the Protein Business¹



Increasing AI-driven Protein Engineering¹



Genes Made for Protein Segment¹

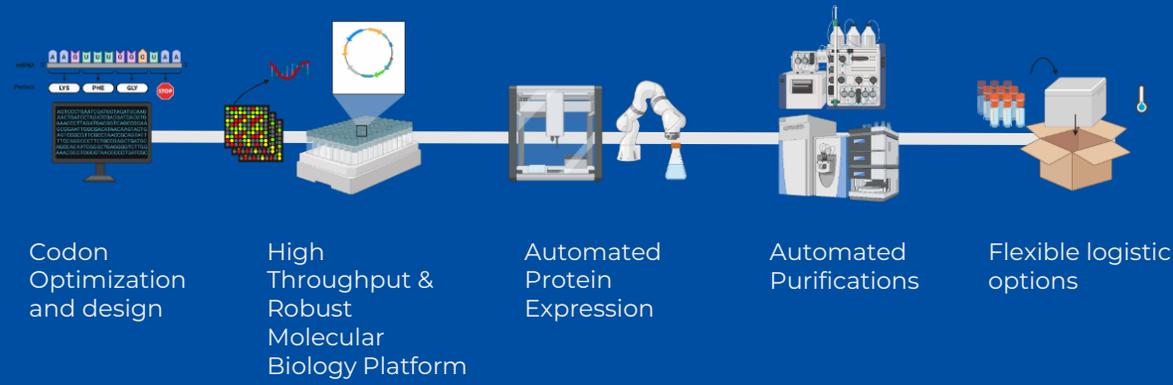


Growing Gene Volume¹



Exceptional Performance in Protein Services:

- Growing market demand
 - AI-driven protein engineering demand
 - BsAb discoveries
- Operational excellence and robust delivery
 - 95%+ on-time delivery rate
- Synergies via integrated platforms
 - Our gene synthesis enabled further accelerated protein TAT²
- Proprietary expression systems – keep upgrading
- Automated industrial-scale production



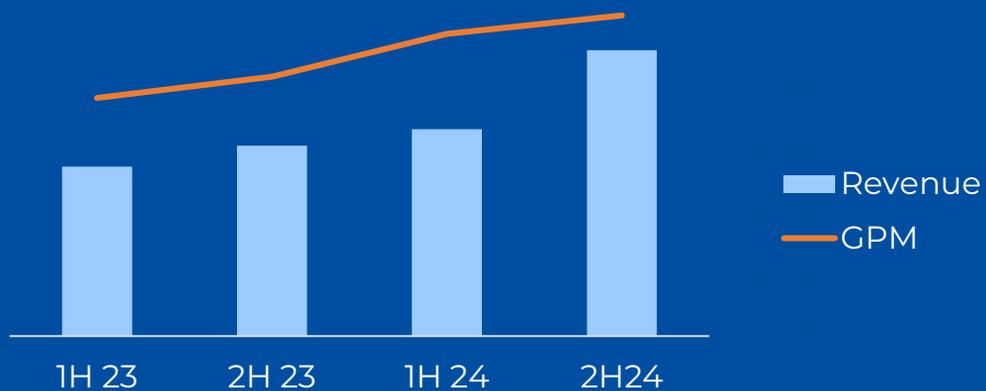
1. Based on delivered items. Management reports. Y axis not to scale
 2. TAT: turnaround time

Life Science Group Glocalization Strategy

Future-Ready Infrastructure in New Jersey

- Accelerated capacity growth
- Gene synthesis delivery time shortened by 25%+ via automation
- Supply chain and management to further optimize costs

Genes delivered from New Jersey



2024

- Nanjing Life Science Building phase I

2025

- Nanjing Life Science Building phase II
- Piscataway Protein Lab
- Singapore Expansion

2026~

- Nanjing Life Science Building phase III
- Piscataway Expansion

Ongoing Capacity Expansions in
New Jersey, Singapore & Nanjing
**COMMITMENT to DELIVERING HIGH-QUALITY,
LOCALLY OPTIMIZED SOLUTIONS at SCALE**

ProBio — Proven Track Record

🧬 Biologics Highlights

- 1 new PC/PV and 2000L Manufacturing order, 2 accumulated PC/PV Projects
- 28 CDMO¹ projects in 2024, ~50% from global customers
- 12 new IND clearances in 2024
- 47 total IND clearances supported³
- Supported 3 CDMO clients in completing licensing-out and M&A activities, 7 accumulated transactions in total

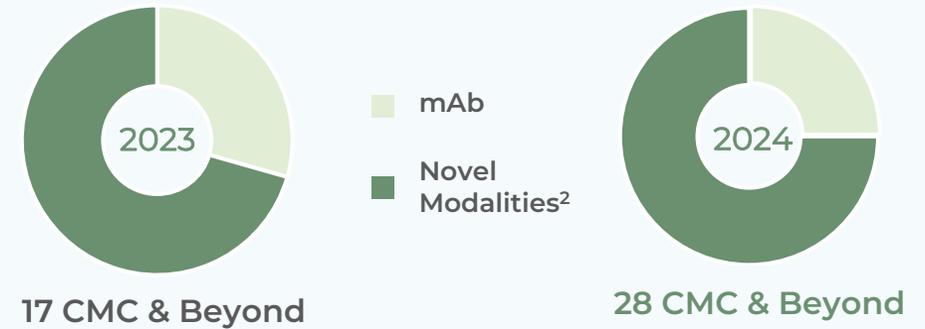
🧬 CGT Highlights

- 2 new PC/PV projects, 4 accumulated projects in total
- 23 new IND clearance in 2024
- 68 IND clearances in total³
- 33 CMC projects supported in 2024

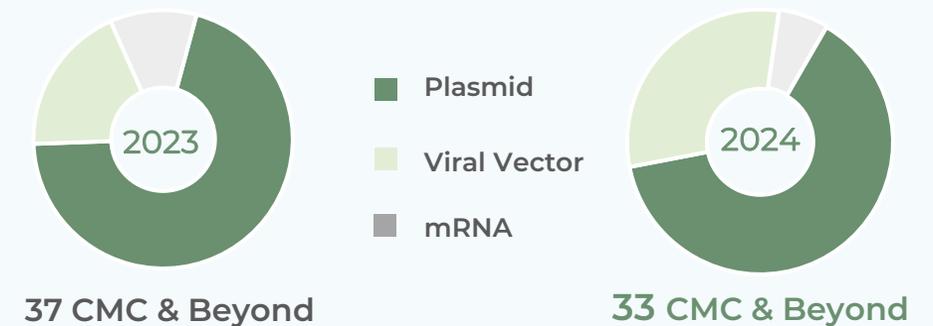
🤝 Achieving Shared Success with Our Customers



Biologics New Projects



CGT New Projects



1. CMC and CMO projects
 2. Novel modalities: BsAb, Ab conjugate and fusion proteins
 3. As 2024.12.31

Global Footprint with Comprehensive Platforms



U.S. CGT Site at Hopewell (~128k sq.ft)
with a complete PD and manufacturing team

Biologics

- Launched commercial biologics manufacturing facility
- DS: Up to 8x2,000L bioreactors
- DP: Capacity to fill up to 17 million vials/year on high-precision filling line supporting fill 0.3-20mL

CGT

- Launched GMP viral vector site in Zhenjiang
- Expanding GMP manufacturing capacity in New Jersey, US
 - Plasmid: IND Pro Plasmid launched in Q4 2024
GMP Plasmid in Q1 2025
 - GMP AAV in Q3 2025
 - GMP LVV in Q1 2026

Collaborate with Customers to Unlock Future Growth

ProBio Licenses PD-1 NME to LaNova Medicines, Advancing Cancer Treatment with Merck Agreement*

Exclusive Global License Agreement:

On November 14, 2024, Merck† and LaNova entered into an exclusive global license agreement to develop, manufacture, and commercialize LM-299, a PD-1/VEGF bispecific antibody.

Financial Terms:

- LaNova to receive an upfront payment of **US\$588 million**.
- Milestone payments up to **US\$2.7 billion**.

Incorporation of ProBio Technology: LM-299 includes the anti-PD-1 single domain antibody licensed from ProBio by LaNova.

Revenue Sharing to ProBio:

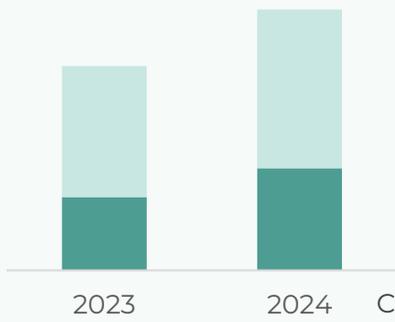
- **40%** of the upfront payment
- **25%** of milestone payments
- **25%** of royalty

- **Proven Track Record**
 - **16** license-out projects with 2 in clinical stage
- **Expanding NME Portfolio**
 - >30 pre-developed mAb, sdAb, bsAb assets
 - Featured a CD3 TCE portfolio based on a unique and highly demanded CD3 VHH (sdAb) with superior developability
- **Flexible Collaboration Models**
 - fee for service
 - co-development
 - asset buy-out
 - out-licensing

Bestzyme — Industry Leading Growth

Increased KA Contribution¹

■ Key Accounts ■ Others



Growing Wallet Share from KA¹

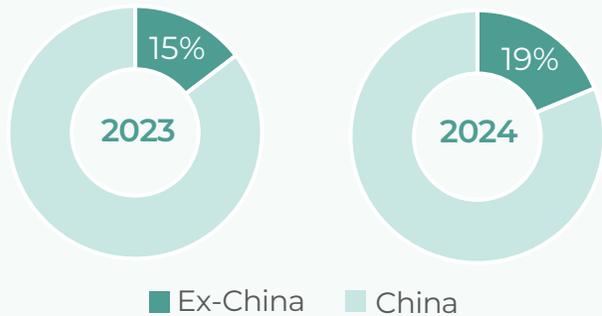
■ 2023 ■ 2024



- The expansion of key accounts with major client revenue increasing by 40%

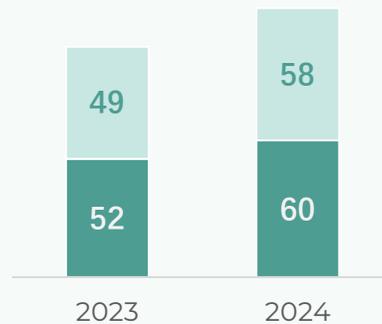
- Ex-CN markets have great potential with breakthroughs in customer relationships

Accelerated International Expansion¹



Strengthening IP Position

■ Patents ■ Patent Applications



- Further enhanced patent portfolios with strong intellectual property to support globalization strategy

Product Innovation Drives Long-term Growth

Core Enzyme Business

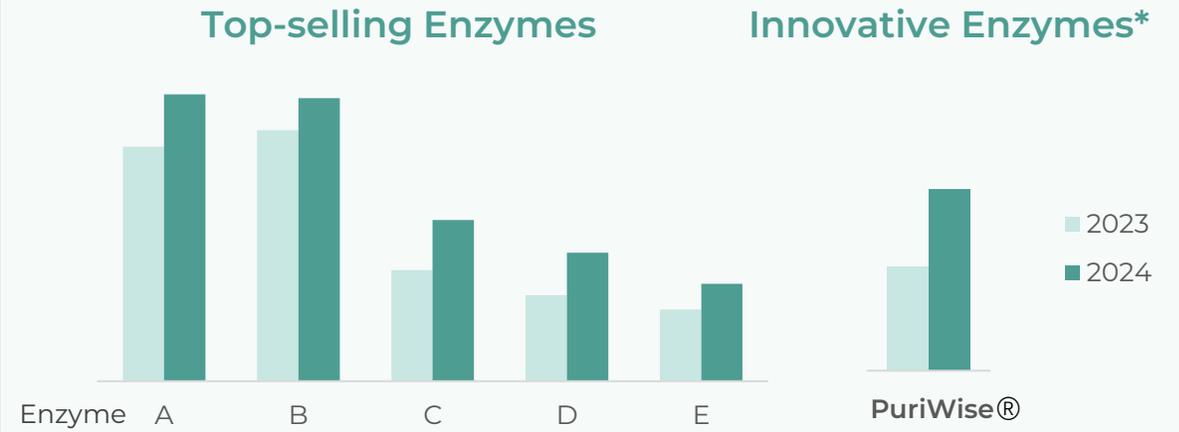
- Integrated enzyme solution provider - brings more economic benefits to customers
- Continuously upgraded and optimized – amylases with better performance; protease for laundry pod formulations
- Strategic partnerships with key accounts - liquid detergent protease

Syn-bio

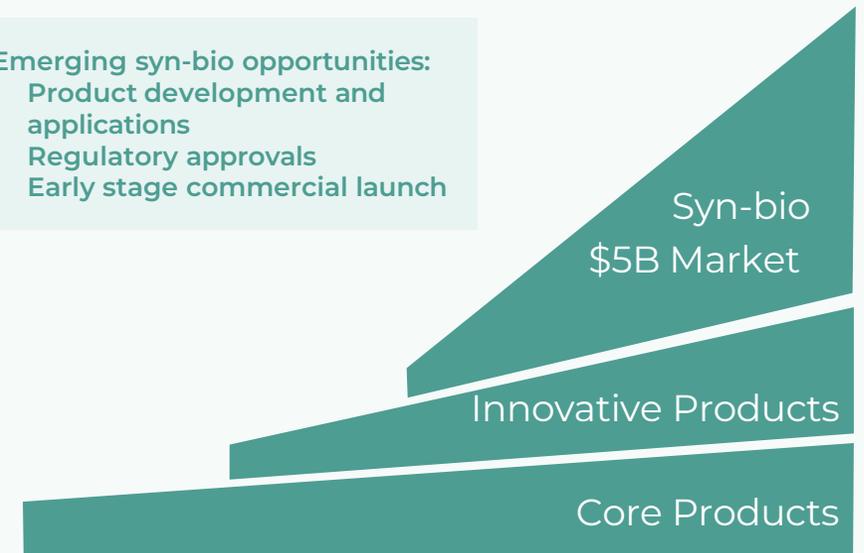
Natural Sweet Protein

- Continuous upgrade and optimization
- Attained self-affirmed GRAS and a GRAS notice submitted to US FDA

Advancing other Syn-bio Pipelines



- Emerging syn-bio opportunities:**
- Product development and applications
 - Regulatory approvals
 - Early stage commercial launch



Enhancing Capabilities to Meet Increasing Market Demand



R&D

- Scaling Talent Pool
- Accelerating R&D Expenditure – 30%+ CAGR for next 3 years

Capacity

Enzyme

- R&D center in Nanjing
- Jinan site - 150,000 metric tons annual production capacity

Syn-bio

- Nanjing site - lab scale and pilot scale production line
- Jinan site – commercial production line (future)



Make People and Nature Healthier through Biotechnology

02 Financial Performance

Group Financials

Group **594.5M** ^{+6.1%} **2,855.3M** **59.8M**
Revenue from continuing operations **Net Profit** **Adj. Net Profit from continuing operations¹**

	\$ Millions	Revenue	YoY	Adj. Operating Profit/(Loss) ¹	YoY
GenScript LSG		454.9	10.2%	90.4	15.5%
ProBio		95.0	(13.2%)	(43.4)	-
Bestzyme		53.7	24.6%	2.1	2.9%

- Rapid profit growth for the group
- Double digit operating profit growth for GenScript LSG
- Recovery in order intake for ProBio
- Continued fast revenue growth and gross margin improvement for Bestzyme

For detailed financials please refer to annual results announcement for the year ended 12/31, 2024

¹ In order to better reflect the key performance of the Group's current business and operations, the adjusted net profit is calculated on the basis of net loss, excluding: (i) equity-settled share-based compensation expense; (ii) fair value gains or losses of preferred shares and warrants; (iii) losses of foreign currency forward and option contracts; (iv) consultation and other related costs for the Investigation (as defined in the announcement of the Company dated September 21, 2020); (v) impairment losses of long-lived assets; (vi) exchange gains; (vii) fair value losses of non-current financial assets; (viii) service fees and unrealised finance costs for equity financing activities; and (ix) share of loss from Legend Group and service fees for Deconsolidation.

GenScript Life Science Group

454.9M

Total Rev.¹

10.2% 

237.7M

Adj. Gross Profit²

5.9% 

90.4M

Adj. Operating Profit²

15.5% 



Adj. Selling and Distribution Expenses



Adj. Administrative Expenses



Adj. Research and Development Expenses

\$M

■ 2024 ■ 2023

Strong Growth From Industrial Customers³



Operating Cash Flow⁴(\$M)



1. Total revenue=external + internal revenue
 2. The adjusted cost and expenses exclude (i) equity-settled share-based compensation expense.
 3. Management account, revenue breakdown
 4. Management account

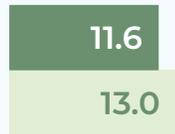
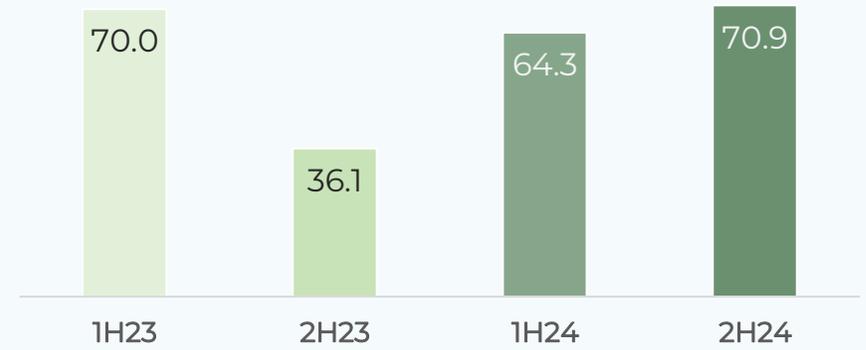
95.0M
Total Rev.¹

14.4M
Adj. Gross Profit²

-14.6M
Adj. EBITDA²

194.2M
Cash Position

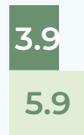
New Orders Recovery³ (\$M)



Adj. Selling and Distribution Expenses

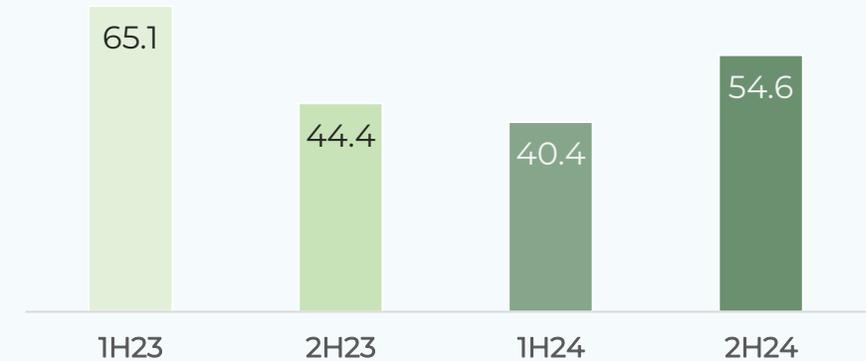


Adj. Administrative Expenses



Adj. Research and Development Expenses

Revenue (\$M)



\$M

■ 2024 ■ 2023

1. Total revenue=external + internal revenue
 2. The adjusted cost and expenses exclude (i) equity-settled share-based compensation expense and (ii) service fees for equity financing activities.
 3. Management account, new sales number

53.7M

Total Rev.¹

24.6% ↑
26.8% ↑ in
constant currency

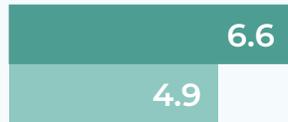
22.6M

Adj. Gross Profit²

36.1% ↑

2.1M

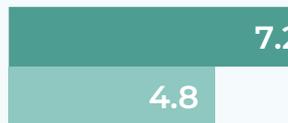
Adj. Operating Profit²



Adj. Selling and
Distribution Expenses



Adj. Administrative
Expenses

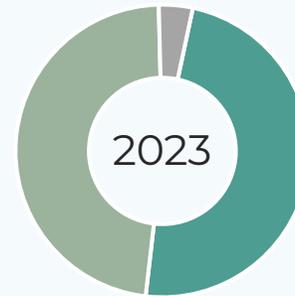


Adj. Research and
Development Expenses

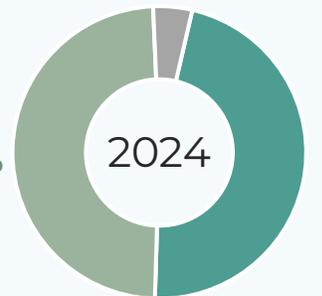
\$M

■ 2024 ■ 2023

Fast Revenue Growth in All Sectors



Feed Enzyme +22%
Industrial Enzyme +29%
others



Continuously Improving Gross Profit Margin

	2023	2024
Industrial Enzyme	49%	51%
Feed Enzyme	30%	36%

1. Total revenue=external + internal revenue
2. The adjusted cost and expenses exclude (i) equity-settled share-based compensation expense
3. Management account. The columns represent revenue.

Financial Impact of Deconsolidation*

FY 2024

Deconsolidation day

Gain on deconsolidation of Legend

- \$3,232M

From January to September (fully consolidated basis)

Loss for the period from Legend

- \$203M

From October to December
(equity method)

Share of losses of an associate

- \$38M

FY 2025 and Beyond

For Consolidated Statement of
Profit/Loss And Other Comprehensive Income

Share of profit/loss of associates

- Share of profit/loss
- Loss on deemed dilution of interest
- Amortization of identifiable intangible assets*

For Consolidated Statement of Financial Position
Investments in associates

03 Guidance

GenScript LSG

- 10%-15% Revenue growth
- Flat Adj. GPM

ProBio

- 15%-20% Fee-for-service Revenue growth
- To recognize revenue and receive cash payment from LaNova out-licensing

Bestzyme

- 20%-25% Revenue growth
- ~45% Adj. GPM

Thanks

For More Information: <https://www.genscript.com/>

