

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



WUXI APPTEC CO., LTD.*
無錫藥明康德新藥開發股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2359)

**FULFILLMENT OF EXERCISE CONDITIONS FOR SECOND
EXERCISABLE PERIOD OF SHARE OPTIONS GRANTED UNDER
THE RESERVED GRANT OF THE 2018 A SHARE INCENTIVE PLAN**

References are made to (i) the Restricted A Shares and Stock Option Incentive Plan of 2018 (the “**2018 A Share Incentive Plan**”) of WuXi AppTec Co., Ltd.* (無錫藥明康德新藥開發股份有限公司) (the “**Company**”) which became effective on August 22, 2018 as disclosed in the prospectus of the Company dated December 3, 2018 (the “**Prospectus**”); (ii) the announcements of the Company dated March 22, 2019, June 13, 2019, June 18, 2019, July 19, 2019, September 17, 2019 and September 20, 2019 in relation to, among other things, the repurchase and cancellation of part of the Restricted A Shares granted under the 2018 A Share Incentive Plan and the adjustment to the amount of reserved interests granted under the 2018 A Share Incentive Plan; (iii) the announcement of the Company dated May 6, 2020 in relation to the unlocking and trading of Restricted A Shares of the initial grant under the 2018 A Share Incentive Plan; (iv) the circular and the poll results announcement of the Company dated March 31, 2020 and May 15, 2020, respectively, in relation to, among other things, the profit distribution plan of the Company for the year ended December 31, 2019 which comprises the capitalization of reserve and the distribution of a cash dividend of RMB3.37 for every 10 Shares (inclusive of tax) held by the Shareholders on the relevant record date; (v) the announcements of the Company dated June 10, 2020 and May 20, 2021 in relation to, among other things, the adjustments to the repurchase number and repurchase price of the Restricted A Shares and the exercise price and number of the Share Options granted under the 2018 A Share Incentive Plan and repurchase and cancellation of part of the Restricted A Shares granted under the 2018 A Share Incentive Plan; (vi) the announcement of the Company dated July 21, 2020 in relation to, among other things, the fulfillment of exercise conditions for the first exercisable period of Share Options granted under the reserved grant of the 2018 A Share Incentive Plan; and (vii) the announcements of the Company dated September 17, 2020 and February 23, 2021 in relation to, among other things, the exercise of part of the Share Options granted under the Reserved Grant of the 2018 A Share Incentive Plan. Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as those defined in the Prospectus.

INTRODUCTION

On July 19, 2019, the Board resolved to grant a total of 287,000 units of Share Options under the reserved grant of the 2018 A Share Incentive Plan (the “**Reserved Grant**”) to two incentive participants under the 2018 A Share Incentive Plan (the “**Incentive Participants**”). On June 10, 2020, pursuant to the relevant adjustment mechanism of the 2018 A Share Incentive Plan, the total number of Share Options granted under the Reserved Grant has been adjusted to 401,800 units at the exercise price of RMB46.34 per A Share. On September 17, 2020, the Company completed the registration of the 62,720 new A Shares issued pursuant to the exercise by one Incentive Participant of 62,720 units of Share Options at the exercise price of RMB46.34 per unit with the Shanghai Branch of the China Securities Depository and Clearing Corporation Limited, and the listing of and trading in such new A Shares commenced on September 23, 2020. On February 23, 2021, the Company completed the registration of the 98,000 new A Shares issued pursuant to the exercise by Mr. Ellis Bih-Hsin Chu of 98,000 units of Share Options at the exercise price of RMB46.34 per unit with the Shanghai Branch of the China Securities Depository and Clearing Corporation Limited, and the listing of and trading in such new A Shares commenced on March 1, 2021. On May 20, 2021, pursuant to the relevant adjustment mechanism of the 2018 A Share Incentive Plan, the total number of Share Options granted under the Reserved Grant has been adjusted to 289,296 units at the exercise price of RMB38.62 per A Share. The underlying shares under the 2018 A Share Incentive Plan shall comprise solely of ordinary A Shares to be issued by the Company to the Incentive Participants. Particulars of the distribution of the Share Options granted under the Reserved Grant are as follows:

Name	Position	Number of exercisable Share Options granted under the Reserved Grant	Percentage to the total number of Share Options granted under the Reserved Grant (%)	Percentage to the total share capital of the Company as at the date of the Reserved Grant (%)
Mr. Ellis Bih-Hsin Chu	Chief financial officer	88,200	18.29%	0.0054%
Senior management: 1 person		56,448	11.71%	0.0034%
Total: 2 persons		144,648	30.00%	0.0088%

Note: The total share capital of the Company as at the date of the Reserved Grant was 1,638,043,314 Shares.

FULFILLMENT OF EXERCISE CONDITIONS FOR SECOND EXERCISABLE PERIOD OF SHARE OPTIONS GRANTED UNDER THE RESERVED GRANT OF THE 2018 A SHARE INCENTIVE PLAN

The maturity of vesting schedule

The withholding period for each tranche of the Share Options granted under the Reserved Grant are 12, 24 and 36 months from the date of the Reserved Grant, respectively.

Pursuant to the terms of the 2018 A Share Incentive Plan, the exercisable periods (each an “**Exercisable Period**”) and exercise arrangements in relation to each tranche of the Share Options granted under the Reserved Grant are as follows:

Exercise arrangements	Exercisable period	Exercise percentage
First Exercisable Period	From the first trading day after 12 months from the date of the Reserved Grant to the last trading day on the Shanghai Stock Exchange within 24 months from the date of the Reserved Grant	40%
Second Exercisable Period	From the first trading day after 24 months from the date of the Reserved Grant to the last trading day on the Shanghai Stock Exchange within 36 months from the date of the Reserved Grant	30%
Third Exercisable Period	From the first trading day after 36 months from the date of the Reserved Grant to the last trading day on the Shanghai Stock Exchange within 48 months from the date of the Reserved Grant	30%

As the grant of the Share Options granted under the Reserved Grant was conducted on July 19, 2019, the withholding period of the second tranche of the Share Options granted under the Reserved Grant has matured on July 18, 2021. Therefore, the Second Exercisable Period of the Share Options granted under the Reserved Grant shall begin on July 19, 2021.

The fulfillment of exercise conditions

Pursuant to the relevant terms of the 2018 A Share Incentive Plan and the Administrative Measures on Share Incentives of Listed Companies (the “**Administrative Measures**”), the Share Options granted under the Reserved Grant to the Incentive Participants shall become exercisable upon satisfaction of all of the following conditions:

1. *None of the following circumstances has occurred to the Company immediately prior to the commencement of the Second Exercisable Period (In the case of the grant of the Share Options to the Incentive Participants, none of the following circumstances has occurred to the Company immediately prior to commencement of the respective Exercisable Period):*

- (i) a certified public accountant gives a negative opinion or indicates the inability to give an opinion in the financial and accounting report of the Company for the latest accounting year;
- (ii) a certified public accountant gives a negative opinion or indicates the inability to give an opinion on internal control in the financial report of the Company for the latest accounting year;
- (iii) the Company has distributed profit in violation of the laws and regulations, Articles of Associations or public undertakings within the most recent 36 months after listing;
- (iv) the implementation of the share incentive scheme is forbidden by the laws and regulations; and
- (v) other circumstances as determined by the CSRC.

2. *None of the following circumstances has occurred to the Incentive Participants immediately prior to the commencement of the Second Exercisable Period:*

- (i) such Incentive Participant is deemed as an inappropriate candidate by the relevant stock exchange in the most recent 12 months;
- (ii) such Incentive Participant is deemed as an inappropriate candidate by the CSRC or its agency authorities in the most recent 12 months;
- (iii) such Incentive Participant has been imposed administrative penalties or is banned from the securities market by the CSRC or its agency authorities due to material non-compliance of laws and regulations in the most recent 12 months;

- (iv) occurrence of circumstances as stipulated in the Company Law of the PRC under which such Incentive Participant is prohibited from acting as a director or member of the senior management of a company;
- (v) such Incentive Participant is prohibited by the law from participating in share incentive scheme of listed companies; and
- (vi) other circumstances as determined by the CSRC.

3. *Performance appraisal for the Company*

Pursuant to the terms of the 2018 A Share Incentive Plan, the following performance targets must be achieved by the Company in its annual performance appraisal for the Share Options granted under the Reserved Grant to become exercisable:

Exercisable period	Performance targets
First Exercisable Period	The operating revenue of the Company for 2019 shall increase by no less than 30% as compared with 2017
Second Exercisable Period	The operating revenue of the Company for 2020 shall increase by no less than 45% as compared with 2017
Third Exercisable Period	The operating revenue of the Company for 2021 shall increase by no less than 60% as compared with 2017

The operating revenue of the Company for 2020 is RMB16,535,431,465.41, which has increased by 112.94% as compared with that for 2017.

4. *Performance appraisal for Incentive Participants*

In accordance with the Employee Performance Appraisal System (《員工績效考核制度》), the remuneration and appraisal committee of the Board shall conduct comprehensive appraisal of the Incentive Participants and grade the results for each assessment year. The proportion of the Share Options that can become exercisable by the Incentive Participants shall be determined based on the appraisal results and in the following manner:

Number of Share Options exercisable to an Incentive Participant for the respective year = standard coefficient × the scheduled number of Share Options exercisable by the Incentive Participant for the respective year. The standard coefficient shall be 100% if the assessment result of the Incentive Participant is “B” or above, and shall be 0 if the assessment result is below “B”.

The two Incentive Participants have fulfilled the above requirements of the performance appraisal for Incentive Participants.

In light of the above, the exercise conditions for the Second Exercisable period of the Share Options granted under the Reserved Grant have been fulfilled and a total of 144,648 units of Share Options will become exercisable by two Incentive Participants during the Second Exercisable Period.

OPINION OF THE INEDS

The independent non-executive Directors (the “INEDs”) had formed the following independent opinion:

The exercise arrangements are in compliance with the relevant laws and regulations including the Administrative Measures, and are also in compliance with the requirements under the 2018 A Share Incentive Plan and the Administrative Measures for Appraisal System for the Restricted A Shares and Stock Option Incentive Plan of 2018 (the “Administrative Measures”), and the relevant exercise conditions have been fulfilled. The qualification of the Incentive Participants who can exercise the Share Options is legal and effective. The exercise of the Share Options granted under the Reserved Grant is in compliance with the relevant requirements, and is not detrimental to the Company and the Shareholders as a whole. As such, the INEDs agreed to a total of 144,648 units of the Share Options granted under the Reserved Grant of the 2018 A Share Incentive Plan becoming exercisable by 2 Incentive Participants during the Second Exercisable Period in accordance with the relevant requirements.

EXAMINATION OPINION FROM THE SUPERVISORY COMMITTEE

The Supervisory Committee has examined the list of Incentive Participants and was of the view that: (i) the Incentive Participants of part of the Share Options granted under the Reserved Grant of the 2018 A Share Incentive Plan have the qualification required by laws, regulations and regulatory documents including the Company Law of the PRC and the Securities Law of the PRC, as well as the Articles of Association; (ii) the Incentive Participants can fulfill the criteria as Incentive Participants as required under the Administrative Measures and other documents, and there are no circumstances under which the Incentive Participants are prohibited from being Incentive Participants as set out under the Administrative Measures; (iii) the Incentive Participants fall within the scope of Incentive Participants as set out under the 2018 A Share Incentive Plan and its extracts, and their qualification as Incentive Participants under the Reserved Grant of the 2018 A Share Incentive Plan is legal and effective; and (iv) the vesting conditions for the Second Exercisable Period of the Share Options granted under the Reserved Grant have been fulfilled. As such, the Supervisory Committee agreed to a total of 144,648 units of the Share Options granted under the Reserved Grant becoming vested to 2 Incentive Participants during the Second Exercisable Period in accordance with the relevant requirements of the 2018 A Share Incentive Plan.

LEGAL OPINION FROM THE PRC COUNSEL OF THE COMPANY

Fangda Partners, the PRC legal advisor of the Company, is of the opinion that (i) the exercise of the Share Options granted under the Reserved Grant is in compliance with the conditions under the 2018 A Share Incentive Plan and the Administrative Measures; and (ii) the Company has fulfilled necessary procedures for the exercise of the Share Options granted under the Reserved Grant and is in compliance with the requirements under the PRC Law and the 2018 A Share Incentive Plan.

By order of the Board
WuXi AppTec Co., Ltd.*
Dr. Ge Li
Chairman

Hong Kong, August 2, 2021

As of the date of this announcement, the Board of the Company comprises Dr. Ge Li, Mr. Edward Hu, Dr. Steve Qing Yang, Mr. Zhaohui Zhang and Dr. Ning Zhao as executive Directors, Mr. Xiaomeng Tong and Dr. Yibing Wu as non-executive Directors and Dr. Jiangnan Cai, Ms. Yan Liu, Mr. Dai Feng, Dr. Hetong Lou and Mr. Xiaotong Zhang as independent non-executive Directors.

* *For identification purposes only*