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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in WuXi AppTec Co., Ltd.* (無錫藥明康德新藥開發股份有限公司), you should at once hand this circular, together with the enclosed Form of Proxy, to the purchaser of transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

- (1) PROPOSED ADOPTION OF THE 2022 H SHARE AWARD AND TRUST SCHEME;**
 - (2) PROPOSED GRANT OF AWARDS TO THE CONNECTED SELECTED PARTICIPANTS UNDER THE 2022 H SHARE AWARD AND TRUST SCHEME;**
 - (3) PROPOSED AUTHORIZATION TO THE BOARD AND/OR THE DELEGATEE TO HANDLE MATTERS PERTAINING TO THE 2022 H SHARE AWARD AND TRUST SCHEME;**
 - (4) PROPOSED CHANGE OF REGISTERED CAPITAL;**
 - (5) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;**
- AND**
- (6) NOTICE OF EGM**

The notice convening the EGM of WuXi AppTec Co., Ltd.* (無錫藥明康德新藥開發股份有限公司) to be held at Sheraton Shanghai Waigaoqiao Hotel, 28 Jilong Road, Pilot Free Trade Zone, Shanghai, China on Monday, September 26, 2022, at 2:00 p.m. is set out in this circular.

Whether or not you are able to attend the EGM, please complete and sign the enclosed Form of Proxy in accordance with the instructions printed thereon and return it to the Company's H Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 24 hours before the time appointed for the EGM (i.e. not later than 2:00 p.m. on Sunday, September 25, 2022 (Hong Kong time)) or the adjourned meeting (as the case may be). Completion and return of the Form of Proxy will not preclude Shareholders from attending and voting in person at the EGM if they so wish.

This circular together with the Form of Proxy are also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.wuxiapptec.com.cn).

References to time and dates in this circular are to Hong Kong time and dates.

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PRECAUTIONARY MEASURES FOR THE EGM

The health of the Shareholders, staff and stakeholders of the Company is of paramount importance to us. In view of the ongoing Novel Coronavirus (COVID-19) pandemic, the Company will implement the following precautionary measures to reduce the risk of contracting and spreading of COVID-19 at the EGM:

- (a) Attendees who choose to attend physically should, in advance, pay attention to and observe the regulations and requirements of Shanghai during the pandemic control period in relation to, among other things, health conditions declaration, isolation and observation. Attendees should also ensure their body temperatures are normal and they have no symptoms such as respiratory tract discomfort.
- (b) Compulsory body temperature checks will be conducted for every attendee.
- (c) Every attendee must wear a surgical face mask and observe other self-protection measures throughout the EGM.
- (d) Examine the Travel Code and COVID-19 RT-PCR test report of the attendees if needed.
- (e) Attendees who cannot fulfill the then applicable regulations and requirements in relation to pandemic control will not be able to access the venue of the EGM. They can exercise their right to vote at the EGM by proxy.

In addition, the Company would like to remind all attending Shareholders that physical attendance in person at the EGM is not necessary for the purpose of exercising voting rights. The Company encourages the Shareholders to exercise their right to vote at the EGM by appointing the chairman of the EGM as their proxy to vote on the relevant resolutions at the EGM instead of attending the meeting in person, by completing and returning the enclosed form of proxy for use at the EGM in accordance with the instructions printed thereon.

Subject to the development of COVID-19 and with reference to the pandemic control measures as applicable from time to time, the Company may implement further changes to the arrangement of the EGM (including but not limited to conducting the EGM via electronic means), and may issue further announcement(s) in this regard as and when appropriate.

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“2019 A Share Incentive Plan”	the Restricted A Shares and Stock Option Incentive Plan of 2019 adopted by the Company on September 20, 2019
“2021 H Share Award and Trust Scheme” or “2021 Scheme”	the H Share award and trust scheme adopted by the Company in accordance with the 2021 Scheme Rules on August 30, 2021
“2021 Scheme Rules”	the rules governing the operation of the 2021 Scheme as well as the implementation procedures (as amended from time to time)
“2022 H Share Award and Trust Scheme” or “2022 Scheme”	the 2022 H Share award and trust scheme proposed to be adopted by the Company in accordance with the 2022 Scheme Rules
“2022 Scheme Rules”	the rules governing the operation of the 2022 Scheme as well as the implementation procedures (as amended from time to time)
“A Share(s)”	ordinary share(s) of the Company with nominal value of RMB1.00 each listed on the Shanghai Stock Exchange
“Actual Selling Price”	the actual price at which the Award Shares are sold (net of brokerage, stamp duty, any taxes, Stock Exchange trading fee, SFC transaction levy and any other applicable costs) on vesting of an Award pursuant to the 2022 Scheme, or in the case of a vesting when there is an event of change in control or privatisation of the Company pursuant to the 2022 Scheme Rules, the consideration receivable under the related scheme or offer
“Articles of Association”	the articles of association of the Company
“associate”	shall have the meaning as set out in the Listing Rules

DEFINITIONS

“Award”	an award granted by the Board to a Selected Participant, which may vest in the form of Award Shares or the Actual Selling Price of the Award Shares in cash, as the Board may determine in accordance with the terms of the 2022 Scheme Rules
“Award Letter”	a letter issued by the Company to each Selected Participant in such form as the Board or the Delegatee may from time to time determine, specifying the Grant Date, the manner of acceptance of the Award, the number of Award Shares underlying the Award, the vesting criteria and conditions, and the Vesting Date and such other details, terms and conditions as they may consider necessary and in accordance with the 2022 Scheme
“Award Period”	the period commencing on the date on which the Shareholders approved the 2022 Scheme, and ending on the Business Day immediately prior to the 10 th anniversary of the date on which the Shareholders approved the 2022 Scheme
“Award Shares”	the H Shares granted to a Selected Participant in an Award
“Board”	the board of directors of the Company
“Bondholder(s)”	holder(s) of the Bonds
“Bonds”	the US\$300 million zero coupon convertible bonds due 2024 convertible at the option of the holder thereof into fully paid ordinary H Shares of the Company
“Business Day”	any day on which the Stock Exchange is open for the business of dealing in securities
“Company”	WuXi AppTec Co., Ltd.* (無錫藥明康德新藥開發股份有限公司)
“connected person(s)”	shall have the meaning as set out in the Listing Rules

DEFINITIONS

“Connected Selected Participants”	Selected Participants who are connected persons of the Group, being Dr. Ge Li, Mr. Edward Hu, Dr. Steve Qing Yang, Dr. Minzhang Chen, Dr. Shuhui Chen, Mr. Zhaohui Zhang, Dr. Ning Zhao, Ms. Ming Shi, Ms. Hui Xu, Ms. Wendy J. Hu, Mr. Harry Liang He, Ms. Minfang Zhu, Mr. Hongping Wan, Mr. Huitian Lv
“Delegatee(s)”	the Executive Committee or person(s) or board committee(s) to which the Board will delegate its authority in connection with matters pertaining to the 2022 Scheme
“Director(s)”	the director(s) of the Company, from time to time
“EGM”	the extraordinary general meeting of the Company to be convened at Sheraton Shanghai Waigaoqiao Hotel, 28 Jilong Road, Pilot Free Trade Zone, Shanghai, China on Monday, September 26, 2022 at 2:00 p.m. (or any adjournment thereof) to consider and, if thought fit, approve the resolutions contained in the Notice of EGM
“Eligible Employee(s)”	any individual, being a Director, supervisor, senior management member, mid-level manager, basic-level manager, backbone member of the scientists, other technicians, who is a full-time PRC or non-PRC employee of any members of the Group; however, no individual who is resident in a place where the grant, acceptance or vesting of an Award pursuant to the 2022 Scheme is not permitted under the laws and regulations of such place or where, in the view of the Board or the Delegatee, compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual, shall be entitled to participate in the 2022 Scheme and such individual shall therefore be excluded from the scope of Eligible Employees
“employee”	an employee who has entered into a formal employment contract with the relevant member of the Group

DEFINITIONS

“Executive Committee”	the executive committee of the Company which, as at the Latest Practicable Date, comprises the Chairman and Chief Executive Officer Dr. Ge Li, the Vice Chairman and Global Chief Investment Officer Mr. Edward Hu, the co-Chief Executive Officer Dr. Steve Qing Yang, the co-Chief Executive Officer Dr. Minzhang Chen, the vice president Dr. Shuhui Chen, the vice president Mr. Zhaohui Zhang, the vice president Dr. Ning Zhao, member of the senior management of the Company Dr. Jingchao Dong and the persons-in-charge of the human resources department, financial department and legal department of the Company, to whom the Board will delegate its authority to administer the 2022 Scheme
“Form of Proxy”	the form of proxy of the Company in respect of the resolutions set out in the Notice of EGM
“Grant Date”	the date on which the grant of an Award is made to a Selected Participant, being the date of an Award Letter
“Group”	the Company and its subsidiaries from time to time, and the expression <i>member of the Group</i> shall be construed accordingly
“H Share(s)”	overseas listed foreign shares with a nominal value of RMB1.00 each in the share capital of the Company, which are listed on the Stock Exchange
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Selected Participants”	Selected Participants who are not the Connected Selected Participants
“Latest Practicable Date”	August 12, 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Notice of EGM”	the notice of EGM dated August 18, 2022, which is set out on EGM-1 to EGM-5 of this circular
“on-market”	the acquisition of H Shares of the Company through one or more transactions through the facilities of the Stock Exchange in accordance with the Listing Rules and any other applicable laws and regulations
“PRC”	the People’s Republic of China
“Remuneration and Appraisal Committee”	the remuneration and appraisal committee of the Board
“Returned Shares”	such Award Shares that are not vested and/or are forfeited in accordance with the terms of the 2022 Scheme Rules, or such H Shares being deemed to be Returned Shares under the 2022 Scheme Rules
“RMB”	Renminbi, the lawful currency of the PRC
“Scheme Limit”	means the maximum size of the 2022 Scheme, being the maximum number of H Shares that will be acquired by the Trustee through on-market transactions from time to time at the prevailing market price with funds in the amount of not more than HK\$2 billion, and in any event the maximum number of H Shares to be so acquired by the Trustee shall be determined by the Board and/or the Delegatee (pursuant to the authorization to be granted by the Shareholders) which shall not exceed 10% (including 10%) above the total number of H Shares acquired by the trustee of the 2021 Scheme in accordance with the instructions of the Company for the purpose of satisfying the awards granted thereunder

DEFINITIONS

“Selected Participant(s)”	any Eligible Employee who is approved for participation in the 2022 Scheme and has been granted any Award in accordance with the 2022 Scheme Rules
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, including both A Share(s) and H Share(s)
“Shareholder(s)”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC from time to time
“Trust”	the trust constituted by the Trust Deed to service the 2022 Scheme
“Trust Deed”	the trust deed to be entered into between the Company and the Trustee (as may be restated, supplemented and amended from time to time)
“Trustee”	the trustee appointed by the Company for the purpose of the Trust, and initially, Computershare Hong Kong Trustees Limited, a company incorporated in Hong Kong and having its registered office at 46th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong

DEFINITIONS

“Vesting Date”	the date or dates, as determined from time to time by the Board or the Delegatee on which the Award (or part thereof) is to vest in the relevant Selected Participant, unless a different Vesting Date is deemed to occur in accordance with the 2022 Scheme Rules
“Vesting Notice”	the vesting notice to be sent to the relevant Selected Participant within a reasonable time period as agreed between the Trustee and the Board from time to time prior to any Vesting Date
“Vesting Period”	the vesting period(s) of the Awards granted under the 2022 Scheme
“%”	percent

LETTER FROM THE BOARD



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)

Executive Directors:

Dr. Ge Li (*Chairman and chief executive officer*)
Mr. Edward Hu
(Vice chairman and global chief investment officer)
Dr. Steve Qing Yang (*Co-chief executive officer*)
Dr. Minzhang Chen (*Co-chief executive officer*)
Mr. Zhaohui Zhang
Dr. Ning Zhao

Non-executive Directors:

Mr. Xiaomeng Tong
Dr. Yibing Wu

Independent Non-executive Directors:

Dr. Jiangnan Cai
Ms. Yan Liu
Dr. Hetong Lou
Mr. Xiaotong Zhang
Mr. Dai Feng

Registered Office:

Mashan No. 5 Bridge
Binhu District, WuXi
Jiangsu Province
PRC

*Headquarters and Principal Place of
Business in the PRC:*

288 Fute Zhong Road
Waigaoqiao Free Trade Zone
Shanghai
PRC

*Principal Place of Business
in Hong Kong:*

5/F, Manulife Place, 348
Kwun Tong Road, Kowloon, Hong Kong

August 18, 2022

To the Shareholders

Dear Sir/Madam,

- (1) PROPOSED ADOPTION OF THE 2022 H SHARE AWARD AND TRUST SCHEME;**
(2) PROPOSED GRANT OF AWARDS TO THE CONNECTED SELECTED PARTICIPANTS UNDER THE 2022 H SHARE AWARD AND TRUST SCHEME;
(3) PROPOSED AUTHORIZATION TO THE BOARD AND/OR THE DELEGATEE TO HANDLE MATTERS PERTAINING TO THE 2022 H SHARE AWARD AND TRUST SCHEME;
(4) PROPOSED CHANGE OF REGISTERED CAPITAL;
(5) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
AND
(6) NOTICE OF EGM

LETTER FROM THE BOARD

I. INTRODUCTION

References are made to (i) the announcement of the Company dated August 15, 2022 in relation to, among other things, (a) the proposed adoption of the 2022 Scheme; (b) the proposed grant of Awards to the Connected Selected Participants under the 2022 Scheme; (c) the proposed authorization to the Board and/or the Delegatee to handle matters pertaining to the 2022 Scheme; (ii) the announcement of the Company dated August 15, 2022 in relation to (a) the proposed change of registered capital of the Company; and (b) the proposed amendments to the Articles of Association; and (iii) the Notice of EGM.

The purpose of this circular is to provide the Shareholders with information in respect of the resolutions to be proposed at the EGM to be held on September 26, 2022 so as to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the EGM. For the details of the proposed resolutions at the EGM, please also refer to the Notice of EGM.

II. PROPOSED ADOPTION OF THE 2022 H SHARE AWARD AND TRUST SCHEME

As disclosed in the announcement of the Company dated August 15, 2022, the Board has proposed to adopt the 2022 Scheme and an ordinary resolution will be proposed at the EGM to consider and approve the proposed adoption of the 2022 Scheme. The 2022 Scheme shall be effective upon the approval by the Shareholders at the EGM. The grant of Awards to the Selected Participants under the 2022 Scheme shall be subject to the fulfillment of the conditions as determined by the Board and/or the Delegatee to be set out in the Award Letter (if any). Please refer to the section headed “Grant of Awards” below for further details.

The full text of the 2022 Scheme Rules is set out in Appendix I to this circular.

Purposes of the 2022 Scheme

The purposes of the 2022 Scheme are:

- (i) to attract, motivate and retain highly skilled and experienced personnel to strive for the future development and expansion of the Group by providing them with the opportunity to be further incentivized by equity interests in the Company, more directly associated with the equity performance of the Company;
- (ii) to modernize the Company’s remuneration practices and to better align with the interests of the Shareholders while seeking a balanced approach in the operational and executive management oversight; and

LETTER FROM THE BOARD

(iii) to (a) recognize the contributions of the prudent leadership of the Company including the Directors; (b) encourage, motivate and retain the leadership of the Company whose collective contributions are beneficial to the continual operation, development and long-term growth of the Group; and (c) introduce additional incentive for the leadership of the Company by aligning the interests of the leadership of the Company to that of the Shareholders and the Group as a whole.

The Directors are of the view that the individual performance indicators as conditions for the vesting of the Awards will serve to achieve the purpose stated above.

Duration

Subject to any early termination of the 2022 Scheme pursuant to the 2022 Scheme Rules, the 2022 Scheme shall be valid and effective for ten years commencing from the date on which the 2022 Scheme is approved by the Shareholders at the EGM (after which no further Awards will be granted), and thereafter for so long as there are non-vested Award Shares granted under the 2022 Scheme prior to the expiration of the 2022 Scheme, in order to give effect to the vesting of such Award Shares.

Source of Funds

The source of funds for funding the 2022 Scheme is the internal funds of the Company.

Source of Award Shares and acquisition of H Shares by the Trustee

The source of the Award Shares under the 2022 Scheme shall be H Shares to be acquired by the Trustee through on-market transactions at the prevailing market price in accordance with the instructions of the Company and the relevant provisions of the 2022 Scheme Rules.

The Company shall as soon as reasonably practicable, for the purposes of satisfying the grant of Awards, transfer to the Trust the necessary funds and instruct the Trustee to acquire H Shares through on-market transactions at the prevailing market price. The Trustee shall as soon as reasonably practicable thereafter proceed to acquire such number of H Shares as instructed by the Company on-market at the prevailing market price.

The acquisition of H Shares by the Trustee will be done independently of, and possibly concurrently with, other dealings of A Shares or H Shares by Shareholders which could be a Director or a member of the senior management, while being subject to dealing restrictions imposed by applicable laws and regulations (including but not limited to the Listing Rules and the Rules Governing the Listing of Stocks on Shanghai Stock Exchange).

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Any excess funds provided by the Company shall not automatically form part of the funds of the Trust and shall be refunded to the Company if written direction to that effect is received by the Trustee within 30 days of the date of completion of the transfer of the relevant H Shares to the Trustee.

The Company shall instruct the Trustee whether or not to apply any Returned Shares to satisfy any grant of Awards made, and if the Returned Shares, as specified by the Company, are not sufficient to satisfy the Awards granted, the Company shall, as soon as reasonably practicable, for purposes of satisfying the Awards granted, transfer to the Trust the necessary funds and instruct the Trustee to acquire further H Shares through on-market transactions at the prevailing market price.

Scheme Limit

Subject to the 2022 Scheme Rules, the Scheme Limit shall be the maximum number of H Shares that will be acquired by the Trustee through on-market transactions from time to time at prevailing market price with funds in the amount of not more than HK\$2 billion, and in any event the maximum number of H Shares to be so acquired by the Trustee shall be determined by the Board and/or the Delegatee (pursuant to the authorization to be granted by the Shareholders) which shall not exceed 10% (including 10%) above the total number of H Shares acquired by the trustee of the 2021 Scheme in accordance with the instructions of the Company for the purpose of satisfying the awards granted thereunder. The Company proposed to set the Scheme Limit in terms of the total amount of funds that it will provide to the Trustee to acquire H Shares through on-market transactions together with a limit on the number of H Shares which can be so acquired by the Trustee in order to (i) regulate the costs of the Company in setting up the 2022 Scheme; and (ii) provide Shareholders with clarity on the financial outlay on the 2022 Scheme and the maximum number of H Shares underlying the 2022 Scheme.

For illustrative purpose, based on the average closing price of the H Shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the Latest Practicable Date of HK\$93.19 per H Share, the number of H Shares that can be purchased with funds in the amount of HK\$2 billion for the purpose of the 2022 Scheme would be 21,461,530 H Shares. As this is outside the abovementioned limit on the total number of H Shares which can be so acquired by the Trustee, the maximum number of H Shares that can be purchased for the purpose of the 2022 Scheme shall instead be such number of H Shares as determined by the Board and/or the Delegatee which shall not exceed 10% (including 10%) above the total number of H Shares acquired by the trustee of the 2021 Scheme in accordance with the instructions of the Company for the purpose of satisfying the awards granted thereunder. The ultimate number of H Shares underlying the 2022 Scheme is therefore uncertain, albeit to a lesser degree as it remains dependent on the actual implementation of the acquisition of H Shares by the Trustee.

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The Company shall not make any further grant of Awards which will result in the aggregate number of H Shares underlying all grants made pursuant to the 2022 Scheme (excluding Award Shares that have been forfeited in accordance with the 2022 Scheme) to exceed the Scheme Limit without Shareholders' approval. The Scheme Limit shall not be subject to any refreshment.

Administration of the 2022 Scheme

The 2022 Scheme shall be subject to the administration of the following administrative bodies:

- (a) the general meeting of the Shareholders, as the institution vested with the supreme authority of the Company, is responsible for the consideration and approval of the adoption of the 2022 Scheme. The general meeting of the Shareholders may authorize the Board and/or the Delegatee to deal with all matters related to the 2022 Scheme to the extent of its authority;
- (b) the Board is the institution in charge of the administration of the 2022 Scheme in accordance with the 2022 Scheme Rules and where applicable, the Trust Deed. A decision of the Board or the Delegatee shall be final and binding on all persons affected. The Remuneration and Appraisal Committee shall be responsible for drafting and revising the 2022 Scheme and submitting the same to the Board for consideration. Upon consideration and approval of the 2022 Scheme, the Board will submit the 2022 Scheme to the general meeting of the Shareholders for consideration. The Board and/or the Delegatee may handle all matters related to the 2022 Scheme within the authorization by the general meeting of the Shareholders;
- (c) the independent non-executive Directors are the supervisory institution of the 2022 Scheme and shall evaluate and communicate their views considering the position of Shareholders on whether the 2022 Scheme facilitates the sustainable development of the Company and whether the 2022 Scheme impairs the interests of the Company and the Shareholders as a whole. In addition, the independent non-executive Directors will supervise whether the implementation of the 2022 Scheme complies with relevant laws, regulations, regulatory documents and the business rules of the Stock Exchange, and is responsible for reviewing the list of the Selected Participants; and
- (d) the Trust will be constituted to service the 2022 Scheme whereby the Trustee shall, subject to the relevant provisions of the Trust Deed upon the instruction of the Company, acquire H Shares through on-market transactions with funds in the amount of not more than HK\$2 billion to be transferred by the Company to the Trust, and the maximum number of H Shares to be so acquired by the Trustee shall not exceed 10%

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(including 10%) above the total number of H Shares acquired by the trustee of the 2021 Scheme in accordance with the instructions of the Company for the purpose of satisfying the awards granted thereunder.

Pursuant to the 2022 Scheme Rules, the authority to administer the 2022 Scheme may be delegated by the Board to the Delegatee as deemed appropriate in the sole and absolute discretion of the Board. Upon the approval and adoption of the 2022 Scheme by the Shareholders at the EGM, the Board will delegate to the Delegatee the authority to administer the 2022 Scheme, including the power to grant an Award under the 2022 Scheme.

Selected Participants of the 2022 Scheme

Eligible Employees who may qualify to participate in the 2022 Scheme include any individual, being a Director, Supervisor, senior management member, mid-level manager, basic-level manager, backbone member of the scientists, other technicians, who is a full-time PRC or non-PRC employee of any members of the Group.

The Board or the Delegatee may, from time to time, select any Eligible Employee to be a Selected Participant in accordance with the 2022 Scheme Rules. The Selected Participants are determined in accordance with the Company Law of the PRC, the Securities Law of the PRC and other applicable laws, regulations and regulatory documents and the relevant provisions of the Articles of Association, together with the Company's actual circumstances and matters including the present and expected contribution of the relevant Selected Participant to the Group.

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No one should be considered as a Selected Participant of the 2022 Scheme if he:

- (a) has been deemed as an inappropriate candidate for similar award schemes of share incentive plans of a listed company by any securities regulatory bodies with authority in the most recent 12 months;
- (b) has been imposed with penalties or is banned from trading securities by securities regulatory bodies due to material non-compliance with laws or regulations in the most recent 12 months; or
- (c) is prohibited from acting as a director or member of the senior management of a company due to occurrence of circumstances as stipulated in the Company Law of the PRC.

Grant of Awards

The Board or the Delegatee may grant Awards to Selected Participants during the Award Period conditional upon fulfilment of terms and conditions of the Awards and performance targets as the Board or the Delegatee determines from time to time.

Subsequent to the obtaining of the Shareholders' approval in connection with the proposed adoption of the 2022 Scheme, the Company will transfer the necessary funds in the amount of not more than HK\$2 billion (being the Scheme Limit) for the Trustee to acquire H Shares through on-market transactions from time to time at prevailing market price as the source of the Award Shares under the 2022 Scheme. The grant of Awards to the Selected Participants shall be subject to the fulfillment of the conditions as determined by the Board and/or the Delegatee to be set out in the Award Letter (if any). If such conditions cannot be satisfied, the relevant grant of Awards to such Selected Participants will not take effect and the Trustee shall hold and make use of such acquired H Shares in accordance with the relevant instructions of the Company, which could potentially involve the use of the acquired H Shares for the purpose of serving as the underlying shares of the awards to be granted under the 2023 H Share award and trust scheme of the Company (with terms and mechanism similar to the 2022 Scheme), the proposed adoption of which is expected to be made by the Company in the third quarter of 2023 (if any). Further announcement(s) will be made by the Company as and when appropriate to keep the Shareholders informed of any material development in this respect.

The Company shall issue an Award Letter to each Selected Participant specifying, among other things, the Grant Date, the number of Award Shares underlying the Award, the conditions of the grant (if any), the vesting criteria and conditions, and the Vesting Date.

LETTER FROM THE BOARD

No grant of any Awards to any Selected Participants may be made and no directions or recommendations shall be given to the Trustee with respect to a grant of an Award under certain circumstances including:

- (i) where such grant of Award would result in a breach of the Scheme Limit;
- (ii) after the expiry of the Award Period or after the earlier termination of the 2022 Scheme;
- (iii) where any Director is in possession of unpublished inside information (as defined under the SFO) in relation to the Company or where any Director reasonably believes there is inside information which must be disclosed pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the SFO or where dealings by Directors are prohibited under any code or requirement of the Listing Rules or any applicable laws, rules or regulations;
- (iv) during the period of 60 days immediately preceding the publication date of the annual results of the Group or, if shorter, the period from the end of the relevant financial year up to the publication date of such results; and
- (v) during the period of 30 days immediately preceding the publication date of the quarterly or half-year results of the Group or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of such results.

Vesting of the Awards

The Board or the Delegatee may determine the vesting criteria and conditions or periods for the Awards to be vested.

LETTER FROM THE BOARD

Vesting schedule

Unless otherwise specified in the Award Letter approved by the Board or the Delegatee, the Vesting Periods of the Awards granted under the 2022 Scheme are as follows:

- (A) For Awards to be granted to Selected Participants who are Eligible Employees as at the date on which the 2022 Scheme is approved by the Shareholders at the EGM:

	Vesting Periods	Proportion of Vesting
First Vesting Period	Within the year immediately following the first anniversary of the Grant Date	25%
Second Vesting Period	Within the year immediately following the second anniversary of the Grant Date	25%
Third Vesting Period	Within the year immediately following the third anniversary of the Grant Date	25%
Fourth Vesting Period	Within the year immediately following the fourth anniversary of the Grant Date	25%

LETTER FROM THE BOARD

(B) For Awards to be granted to Selected Participants who (i) shall become Eligible Employees subsequent to the date on which the 2022 Scheme is approved by the Shareholders at the EGM; and (ii) shall have been given the entitlement to be granted Awards pursuant to the relevant offer letters to be issued by the Company in connection with their employment within the Group:

	Vesting Periods	Proportion of Vesting
First Vesting Period	Within the year immediately following the first anniversary of the commencement date of the employment of the Selected Participant with the relevant member of the Group	0%
Second Vesting Period	Within the year immediately following the second anniversary of the commencement date of the employment of the Selected Participant with the relevant member of the Group	25%
Third Vesting Period	Within the year immediately following the third anniversary of the commencement date of the employment of the Selected Participant with the relevant member of the Group	25%
Fourth Vesting Period	Within the year immediately following the fourth anniversary of the commencement date of the employment of the Selected Participant with the relevant member of the Group	50%

The Vesting Periods of the Awards granted under any subsequent grant of the 2022 Scheme or the Awards to be satisfied by the application of any Returned Shares shall be determined by the Board or the Delegatee in its sole and absolute discretion, and shall in any event not extend beyond the then remaining term of the Award Period at the time of grant.

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Vesting Conditions

Vesting of the Awards granted under the 2022 Scheme is subject to conditions of the individual performance indicators of the Selected Participants, and any other applicable vesting conditions as set out in the Award Letter.

The individual performance indicators of the Selected Participants are as follows:

According to the applicable performance management rules to be adopted by the Company, the Board or the Delegatee shall carry out annual comprehensive appraisal on the Selected Participants and determine the actual vesting amount of the Awards granted under the 2022 Scheme accordingly. The actual vesting amount of the Award granted to a Selected Participant for the respective Vesting Periods shall be equal to the standard coefficient \times the planned vesting amount for the respective Vesting Periods. The coefficient for individual performance appraisal results of grade B- (or its equivalent appraisal result such as “meets expectations”) or above is 100% whereas the coefficient for individual performance appraisal results below grade B- is 0.

In respect of Selected Participants who are PRC employees, the performance appraisal results comprise five grades, namely A+, A, B, C and D. For PRC employees who are management personnel at the level of senior director or above, the performance appraisal results comprise eight grades, namely A+, A, A-, B+, B, B-, C and D. In respect of Selected Participants who are non-PRC employees, the performance appraisal results comprise five grades, namely “significantly exceeds expectations”, “exceeds expectations”, “meets expectations”, “needs improvement” and “does not meet expectations”.

The performance appraisal is conducted annually and the process involves: (i) employee self-appraisal; (ii) performance appraisal evaluator conducts objective evaluation based on feedback and recommendations on the employee as well as the performance of the employee; (iii) performance appraisal reviewer conducts review of the performance appraisal results; and (iv) relevant persons-in-charge of the various business and operational units approves the performance appraisal results, and the appraisal results of management personnel at the level of senior director or above shall be approved by a chief executive officer of the Company.

The performance appraisal encompasses three aspects, namely job responsibilities, operational performance and core values. The supervisors of the relevant employees will conduct objective evaluation of the performance appraisal results based on the collected appraisal information (including records of work results, work summary of the relevant employees and performance feedback and recommendations) and the individual performance targets of the

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relevant employees. In terms of core values, the supervisors of the relevant employees will conduct an integrated evaluation based on parameters including key events, upstream and downstream work evaluation and peer evaluation.

If the Selected Participant fails to fulfil the individual performance indicators above, all the Award Shares underlying the relevant Awards which may otherwise be vested during the respective Vesting Periods shall not be vested and shall be held by the Trustee as Returned Shares for application towards future Awards in accordance with the 2022 Scheme Rules for the purpose of the 2022 Scheme.

Transfer or sale of Award Shares

For the purposes of vesting of the Award, the Board or the Delegatee may either:

- (i) direct and procure the Trustee to release from the Trust the Award Shares to the Selected Participants by transferring the number of Award Shares to the Selected Participants in such manner as determined by them from time to time; or
- (ii) to the extent that, at the determination of the Board or the Delegatee, it is not practicable for the Selected Participant to receive the Award in H Shares solely due to legal or regulatory restrictions with respect to the Selected Participant's ability to receive the Award in H Shares or the Trustee's ability to give effect to any such transfer to the Selected Participant, the Board or the Delegatee will direct and procure the Trustee to sell, on-market at the prevailing market price, the number of Award Shares so vested in respect of the Selected Participant and pay the Selected Participant the proceeds in cash arising from such sale based on the Actual Selling Price of such Award Shares as set out in the Vesting Notice.

In accordance with the 2022 Scheme Rules, barring any unforeseen circumstances, within a reasonable time period as agreed between the Trustee and the Board from time to time prior to any Vesting Date, the Board or the Delegatee shall send to the relevant Selected Participant the Vesting Notice. The Board or the Delegatee shall forward a copy of the Vesting Notice to the Trustee and instruct the Trustee the extent to which the Award Shares held in the Trust shall be transferred and released from the Trust to the Selected Participant in the manner as determined by the Board or the Delegatee, or be sold as soon as practicable from the Vesting Date.

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Subject to the receipt of the Vesting Notice and the instructions from the Board or the Delegatee, the Trustee shall transfer and release the relevant Award Shares to the relevant Selected Participant in the manner as determined by the Board or the Delegatee or sell the relevant Award Shares as soon as practicable from the Vesting Date and pay the Actual Selling Price to the Selected Participant within a reasonable time period in satisfaction of the Award.

Interest in the Award Shares

Any Award granted under the 2022 Scheme but not yet vested shall be personal to the Selected Participant to whom it is made and shall not be assignable or transferable and no Selected Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to any Award, or enter into any agreement to do so.

Neither the Selected Participant nor the Trustee may exercise any voting rights attached to any H Shares held by the Trustee under the Trust (including any Award Shares that have not yet vested).

A Selected Participant shall have no right to any dividend underlying the non-vested Award Shares or any of the Returned Shares or any dividend, right to any cash or non-cash income, distribution, sale proceeds of non-cash and non-scrip distributions underlying the Returned Shares, all of which shall be retained by the Trustee for the benefit of the 2022 Scheme.

Occurrence of certain events pertaining to the Company

Change in control and privatisation

If there is an event of change in control (as defined under the Takeovers Code) of the Company by way of a merger, a privatisation of the Company by way of a scheme or by way of an offer, change of actual control of the Company involving reorganization of major assets, the Company no longer exists after merger with another company, or division of the Company, the Board or the Delegatee shall in its sole and absolute discretion determine whether the Vesting Dates of any unvested Awards will be accelerated. If the Vesting Dates of any unvested Awards are accelerated, the procedures as set out in the section headed “II. Proposed Adoption of the 2022 H Share Award and Trust Scheme — Vesting of the Awards — Transfer or sale of Award Shares” above shall apply except that the Vesting Notice will be sent to such Selected Participant based on the proposed Vesting Date as soon as practicable once the proposed Vesting Date is known. The Trustee shall transfer the Award Shares or pay the Actual Selling Price in cash, as the case may be, to the Selected Participant in accordance with the Vesting Notice.

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Pursuant to the 2022 Scheme Rules, (i) no instructions may be given by a Selected Participant to the Trustee in respect of the Award and the Trustee shall not follow instructions given by a Selected Participant to the Trustee in respect of the Award; and (ii) neither the Selected Participant nor the Trustee may exercise any voting rights attached to any H Shares held by the Trustee under the Trust (including any Award Shares that have not yet vested). As such, neither the Selected Participant nor the Trustee has a right to accept or decline any offer in connection with a privatisation of the Company and in turn has no entitlement to the consideration of such offer.

Open offer and rights issue

In the event the Company undertakes an open offer of new securities, the Trustee shall not subscribe for any new H Shares. In the event of a rights issue, the Trustee shall not take any step to exercise any nil-paid rights and shall sell such nil-paid rights in respect of any H Shares which are held by the Trustee (if there is an open market for such rights). The aggregate proceeds of such sale may be applied by the Trustee to purchase H Shares for the purposes of satisfying any further Awards to be from time to time made by the Company under the 2022 Scheme and to cover the reasonable costs and expenses of the Trustee in the performance of its duties under the Trust Deed.

Consolidation or sub-division of shares

In the event the Company undertakes a consolidation or sub-division of the H Shares, corresponding changes will be made to the number of outstanding Award Shares that have been granted provided that the adjustments shall be made in such manner as the Board determines to be fair and reasonable in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the 2022 Scheme for the Selected Participants. All fractional shares (if any) arising out of such consolidation or sub-division in respect of the Award Shares of a Selected Participant shall be deemed as Returned Shares and shall not be transferred to the relevant Selected Participant on the relevant Vesting Date.

As the Scheme Limit is set with reference to the total amount of funds that it will provide to the Trustee to acquire H Shares through on-market transactions, as opposed to a precise number or percentage of the H Shares, no corresponding adjustment to the Scheme Limit is necessary in the event of consolidation or sub-division of the H Shares.

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Amendment or Termination of the 2022 Scheme

Amendment of the 2022 Scheme

Subject to the Scheme Limit, the 2022 Scheme may be altered in any respect by a resolution of the Board or the Delegatee provided that no such alteration shall operate to affect materially and adversely any subsisting rights of any Selected Participant unless otherwise provided for in these Scheme Rules, except (i) with the consent in writing of Selected Participants amounting to more than half of the nominal value of all Award Shares held by the Trustee on that date; or (ii) with the sanction of an ordinary resolution that is passed at a meeting of the Selected Participants amounting to more than half of the nominal value of all Award Shares held by the Trustee on that date.

Termination of the 2022 Scheme

The 2022 Scheme shall terminate on the earlier of (i) the end of the Award Period except in respect of any non-vested Award Shares granted under the 2022 Scheme prior to the expiration of the 2022 Scheme, for the purpose of giving effect to the vesting of such Award Shares or otherwise as may be required in accordance with the provisions of the 2022 Scheme; and (ii) such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of any Selected Participant under the 2022 Scheme.

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III. PROPOSED GRANT OF AWARDS TO THE CONNECTED SELECTED PARTICIPANTS UNDER THE 2022 H SHARE AWARD AND TRUST SCHEME

The Company proposes to grant Awards representing a maximum of 1,418,760 underlying Award Shares to 14 Connected Selected Participants as follows:

Name of Connected Selected Participants	Position	Maximum number of Award Shares underlying the Award ^(Note 1)	Approximate percentage to the total number of H Shares as at the Latest Practicable Date	Approximate percentage to the total issued share capital of the Company as at the Latest Practicable Date	Aggregate market value of the maximum number of Award Shares underlying the Award as at the Latest Practicable Date ^(Note 2)
Dr. Ge Li	Executive Director, chairman and chief executive officer	399,683 H Shares	0.1019%	0.0135%	HK\$38,309,615.55
Mr. Edward Hu	Executive Director, vice chairman and global chief investment officer	189,849 H Shares	0.0484%	0.0064%	HK\$18,197,026.65
Dr. Steve Qing Yang	Executive Director, co-chief executive officer	201,565 H Shares	0.0514%	0.0068%	HK\$19,320,005.25
Dr. Minzhang Chen	Executive Director, co-chief executive officer	307,596 H Shares	0.0784%	0.0104%	HK\$29,483,076.60
Dr. Shuhui Chen	Vice president	72,846 H Shares	0.0186%	0.0025%	HK\$6,982,289.10
Mr. Zhaohui Zhang	Executive Director, vice president	99,921 H Shares	0.0255%	0.0034%	HK\$9,577,427.85
Dr. Ning Zhao	Executive Director, vice president	39,968 H Shares	0.0102%	0.0014%	HK\$3,830,932.80
Ms. Ming Shi	Chief financial officer	46,990 H Shares	0.0120%	0.0016%	HK\$4,503,991.50
Ms. Hui Xu	President of principal subsidiaries of the Company	31,798 H Shares	0.0081%	0.0011%	HK\$3,047,838.30
Ms. Wendy J. Hu <i>(Note 3)</i>	Senior director of human resources	6,245 H Shares	0.0016%	0.0002%	HK\$598,583.25
Mr. Harry Liang He	Chairman of the Supervisory Committee	9,992 H Shares	0.0025%	0.0003%	HK\$957,733.20
Ms. Minfang Zhu	Employee representative Supervisor	3,122 H Shares	0.0008%	0.0001%	HK\$299,243.70
Mr. Hongping Wan	Supervisory of principal subsidiaries of the Company	3,312 H Shares	0.0008%	0.0001%	HK\$317,455.20
Mr. Huitian Lv	Director of principal subsidiaries of the Company	5,873 H Shares	0.0015%	0.0002%	HK\$562,927.05
Total		<u>1,418,760 H Shares</u>	<u>0.3618%</u>	<u>0.0480%</u>	<u>HK\$135,988,146.00</u>

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Note:

1. The actual number of Award Shares underlying the Award shall be further notified after the completion of the acquisition of the Award Shares by the Trustee through on-market transactions from time to time at prevailing market price.
2. The aggregate market value of the maximum number of Award Shares underlying the Award is calculated with reference to the closing price of the H Shares as quoted on the Stock Exchange on the Latest Practicable Date, being HK\$95.85.
3. Ms. Wendy J. Hu is the spouse of Mr. Edward Hu.

Six of the Connected Selected Participants, Dr. Ge Li, Mr. Edward Hu, Dr. Steve Qing Yang, Dr. Minzhang Chen, Mr. Zhaohui Zhang and Dr. Ning Zhao, being executive Directors, have declared their interests in the 2022 Scheme and abstained from voting on the relevant board resolutions in relation to the 2022 Scheme. Save for Dr. Ge Li, Mr. Edward Hu, Dr. Steve Qing Yang, Dr. Minzhang Chen, Mr. Zhaohui Zhang and Dr. Ning Zhao, there is no other Director who is required to abstain from voting on the board resolutions in relation to the 2022 Scheme.

Further, Dr. Ge Li, Mr. Edward Hu, Dr. Steve Qing Yang, Dr. Minzhang Chen, Mr. Zhaohui Zhang and Dr. Ning Zhao, being Directors, shall not deal in any securities of the Company, including the Award Shares, for the black-out period as stipulated under Appendix 10 to the Listing Rules.

Grant of Awards to the Independent Selected Participants

The Award Shares acquired by the Trustee for the purpose of the 2022 Scheme which are not underlying Award Shares of the Awards proposed to be granted to the Connected Selected Participants as abovementioned will be used by the Company as underlying Award Shares of the Awards which are expected to be granted to approximately 4,500 Independent Selected Participants. It is currently expected that an initial grant of Awards to Independent Selected Participants will take place within the coming one to two years, and further grant(s) of Awards to Independent Selected Participants may take place thereafter over the course of the duration of the 2022 Scheme. The Board or the Delegatee will, as and when appropriate, select Eligible Employees to be such Independent Selected Participants in accordance with the Company Law of the PRC, the Securities Law of the PRC and other applicable laws, regulations and regulatory documents and the relevant provisions of the Articles of Association, together with the Company's actual circumstances and matters including the present and expected contribution of the relevant Independent Selected Participant to the Group. As at the Latest Practicable Date, the list of Independent Selected Participants has not yet been determined and approved.

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Information on the Group

The Group provides comprehensive and integrated research and manufacturing services throughout the discovery, development and manufacturing spectrum for small molecule drugs. The Group also provides development and manufacturing services for cell and gene therapies as well as testing services for medical devices.

Reasons for and benefits of the adoption of the 2022 Scheme and the grant of Awards to the Connected Selected Participants

Please refer the section headed “II. Proposed Adoption of the H Share Award and Trust Scheme — Purposes of the 2022 Scheme” in this circular. The Directors are of the view that the adoption of the 2022 Scheme will realize the aforesaid goals, and that the terms and conditions of the 2022 Scheme are normal commercial terms, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

In respect of the grant of Awards to the Connected Selected Participants, the Directors, having considered the contribution of the Connected Selected Participants to the Company and the aforesaid goals, are of the view that the grant of Awards to the Connected Selected Participants is a transaction entered into on normal commercial terms, and is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Implications under the Listing Rules

The 2022 Scheme involves no issue of new shares or granting of option for any new securities of the Company. Thus it does not constitute a share option scheme as defined and regulated under Chapter 17 of the Listing Rules.

The Connected Selected Participants as at the Latest Practicable Date is either a director, supervisor or chief executive of the Company and/or its subsidiaries or their respective associate, and each of the Connected Selected Participants is as such a connected person of the Company pursuant to Chapter 14A of the Listing Rules. However, as (i) the grant of Awards to the Connected Selected Participants who are Directors (namely Dr. Ge Li, Mr. Edward Hu, Dr. Steve Qing Yang, Dr. Minzhang Chen, Mr. Zhaohui Zhang and Dr. Ning Zhao) forms part of their remuneration packages and is therefore fully exempt from the reporting, announcement and independent shareholders’ approval requirements under Rules 14A.73(6) and 14A.95 of the Listing Rules; and (ii) based on the aggregate market value of the maximum number of Award Shares underlying the Awards proposed to be granted to each of the remaining Connected Selected Participants (namely Dr. Shuhui Chen, Ms. Ming Shi, Ms. Hui Xu, Ms. Wendy J. Hu, Mr. Harry Liang He, Ms. Minfang Zhu, Mr. Hongping Wan and Mr. Huitian Lv) calculated with reference to the closing price of the H Shares of HK\$95.85 as quoted on the Stock Exchange on the Latest

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Practicable Date which has also been particularized in the table above, all of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) calculated with reference to the abovementioned aggregate market value are less than 0.1%, while the Company will also ensure that such applicable percentage ratios shall remain less than 0.1% at the time of grant with reference to the actual number of Award Shares underlying the Award to be granted to the remaining Connected Selected Participants and the closing price of the H Shares as quoted on the Stock Exchange on the Grant Date, and as such the proposed grant of Awards to each of the remaining Connected Selected Participants constitutes de minimis transactions pursuant to Rule 14A.76(1) of the Listing Rules and are fully exempt from the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Nevertheless, the Board determined that the proposed grant of Awards to the Connected Selected Participants under the 2022 Scheme shall be subject to approval by the Shareholders to further promote a high standard of corporate governance. As such, an ordinary resolution will be proposed at the EGM for the Shareholders to consider and approve the proposed grant of Awards to the Connected Selected Participants under the 2022 Scheme as a whole.

IV. PROPOSED AUTHORIZATION TO THE BOARD AND/OR THE DELEGATEE TO HANDLE MATTERS PERTAINING TO THE 2022 H SHARE AWARD AND TRUST SCHEME

In order to ensure the successful implementation of the 2022 Scheme, the Board proposed that, subject to the approval of the 2022 Scheme by the Shareholders at the EGM, the Shareholders also grant an authorization to the Board and/or the Delegatee to handle matters pertaining to the 2022 Scheme with full authority, including but not limited to:

- (i) to determine the terms and conditions of the grant of Awards, approve the form and content of the Award Letter, select Eligible Employees to become Selected Participants, and grant Awards to Selected Participants from time to time;
- (ii) to determine the maximum number of H Shares to be acquired by the Trustee which shall not exceed 10% (including 10%) above the total number of H Shares acquired by the trustee of the 2021 Scheme in accordance with the instructions of the Company for the purpose of satisfying the awards granted thereunder;
- (iii) to determine the Grant Date and Vesting Date of Award Shares;
- (iv) to administer, amend and adjust the 2022 Scheme, including but not limited to adjusting the Scheme Limit, adjusting the number of outstanding Award Shares or accelerate the Vesting Dates of any Awards (if such amendments require the approval of the

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Shareholders' meeting and/or relevant regulatory authorities pursuant to the relevant laws, regulations or requirements of the relevant regulatory authorities, the Board shall obtain the corresponding authorization for such amendments);

- (v) to decide on the selection, engagement and change of bank(s), accountant(s), lawyer(s), consultant(s) and other professional parties for the purpose of the 2022 Scheme;
- (vi) to sign, execute, amend and terminate all agreements and other relevant documents in connection with the 2022 Scheme, fulfill all relevant procedures in relation to the 2022 Scheme, and adopt other methods to implement the terms of the 2022 Scheme;
- (vii) to determine and adjust the standards and conditions of the vesting of the Awards as well as the Vesting Periods, evaluate and manage the performance indicators, and to determine whether Awards granted to the Selected Participants can be vested, and to delegate such authorization to the Executive Committee;
- (viii) to determine the execution, amendment and termination of the 2022 Scheme, including the forfeiture of Awards and continued vesting of Award Shares upon the changes in circumstances pertaining to the Selected Participants;
- (ix) to construe and interpret the 2022 Scheme Rules and to resolve any issues and disputes arising from or in connection with the 2022 Scheme;
- (x) to exercise any other authorizations in relation to matters necessary to the implementation of the 2022 Scheme granted by the Shareholders' meeting from time to time;
- (xi) (a) to enter into the Trust Deed on behalf of the Company with the Trustee, pursuant to which the Trustee will provide trust services for the 2022 Scheme;
- (b) to enter into the plan management agreement on behalf of the Company with Computershare Hong Kong Investor Services Limited, pursuant to which Computershare Investor Services Limited will provide plan management services in respect of the 2022 Scheme; and
- (c) to set up a cash securities account under the name of the Company so as to facilitate the provision of trading services and trading platform for the Selected Participants of the 2022 Scheme by Computershare Investor Services Limited;

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(xii) to, during the validity period of such authorization, delegate its authority to administer the 2022 Scheme to the Executive Committee formed by individuals including, as at the Latest Practicable Date, the Chairman and Chief Executive Officer Dr. Ge Li, the Vice Chairman and Global Chief Investment Officer Mr. Edward Hu, the co-Chief Executive Officer Dr. Steve Qing Yang, the co-Chief Executive Officer Dr. Minzhang Chen, the vice president Dr. Shuhui Chen, the vice president Mr. Zhaohui Zhang, the vice president Dr. Ning Zhao, member of the senior management of the Company Dr. Jingchao Dong and the persons-in-charge of the human resources department, the finance department and the legal department, to individually handle all matters in relation to the 2022 Scheme with full authority, including but not limited to:

- (a) matters in relation to the 2022 Scheme as set out in paragraphs (i) to (xi) above;
- (b) on behalf of the Company, execute all documents in relation to the operations of and other matters of the 2022 Scheme, or providing instructions to the Trustee in relation to its operations, the execution of relevant documents in relation to the setting up of the accounts, operations of the accounts, and the setting up and operations of the cash securities account with Computershare Hong Kong Investor Services Limited under the name of the Company, the release of Award Shares for the purpose of the vesting of the Awards, or the sale of Award Shares on-market at the prevailing market price and pay the proceeds arising from such sale to Selected Participants, or directing and procuring the Trustee to release the Award Shares to the Selected Participants by transferring the Award Shares to the Selected Participants as determined by them from time to time, and confirming, allowing and approving all preceding matters arising from or in relation to the Trust Deed and the plan management agreement; and
- (c) on behalf of the Company, approve, execute, refine, deliver, negotiate, agree on and agree to all such agreements, contracts, documents, regulations, matters and things (as the case may be) as it deems reasonable, necessary, desirable, appropriate or expedient, in order to implement and/or implement all transactions conducted accordingly, and make any reasonable alterations, amendments, changes, modifications and/or supplements as it deems necessary, desirable, appropriate or expedient. If there is a requirement to affix a company seal on any such agreement, contract or document, it has the right to sign the agreement, contract or document and affix the company seal in accordance with the Articles of Association in that case.

The aforementioned authorization to the Board and/or the Delegatee shall be valid for the Award Period.

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V. PROPOSED CHANGE OF REGISTERED CAPITAL

References are made to (i) the circular of the Company dated August 5, 2019; (ii) the announcements of the Company dated April 28, 2021, May 25, 2022 and July 3, 2022, in relation to, among other things, (a) the fulfilment of the vesting conditions for the first and second vesting period of the share options granted under the adjusted initial grant of the 2019 A Share incentive Plan; and (b) the exercise of part of the share options granted under the adjusted initial grant of the 2019 A Share Incentive Plan; and (iii) the relevant announcement of the Company dated August 15, 2022 in relation to, among other things, the proposed change of registered capital of the Company.

From March 25, 2022 to May 24, 2022, the Company has completed the registration of a total of 261,995 A Shares, being the underlying shares of the exercised share options granted under the adjusted initial grant of the 2019 A Share Incentive Plan within the first vesting period.

From June 17, 2022 to August 12, 2022, the Company has completed the registration of a total of 1,177,722 A Shares, being the underlying shares of the exercised share options granted under the adjusted initial grant of the 2019 A Share Incentive plan within the second vesting period.

As a result of abovementioned exercise of share options, the Board proposes to change the Company's registered capital from RMB2,955,752,122 divided into 2,955,752,122 Shares to RMB2,957,191,839 divided into 2,957,191,839 Shares.

A special resolution is being proposed at the EGM to consider and approve the proposed change of registered capital of the Company.

VI. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Reference is made to the relevant announcement of the Company dated August 15, 2022 in relation to, among other things, the proposed change of registered capital of the Company and the proposed amendments to the Articles of Association.

In light of the proposed change in the registered capital of the Company, the Board proposed to make relevant amendments to the Articles of Association.

A special resolution is being proposed at the EGM to consider and approve the proposed amendments to the Articles of Association. The full text of the proposed amendments to the Articles of Association, which were prepared in the Chinese language, is set out in Appendix II to this circular. In the event of any discrepancy between the English translation and the Chinese version, the Chinese version shall prevail.

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VII. NOTICE OF EGM

The Notice of EGM is set out on pages EGM-1 to EGM-5 of this circular.

Pursuant to the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the EGM in the manner prescribed under the Listing Rules.

The Selected Participants, who are also Shareholders, and their respective associates shall abstain from voting on the proposed ordinary resolutions in respect of (i) the proposed adoption of the 2022 H Share Award and Trust Scheme; (ii) the proposed grant of Awards to the Connected Selected Participants under the 2022 Scheme; and (iii) the proposed authorization to the Board and/or the Delegatee to handle matters pertaining to the 2022 Scheme. The Connected Selected Participants, who are also Shareholders, and their respective associates shall abstain from voting on the proposed ordinary resolution in respect of the proposed grant of Awards to the Connected Selected Participants under the 2022 Scheme and its related matters. Save as disclosed above, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, none of the other Shareholders has a material interest in (i) the proposed adoption of the 2022 Scheme; (ii) the proposed grant of Awards to the Connected Selected Participants under the 2022 Scheme; (iii) the proposed authorization to the Board and/or the Delegatee to handle matters pertaining to the 2022 Scheme; (iv) the proposed change of registered capital of the Company; and (v) the proposed amendments to the Articles of Association, and is required to abstain from voting on such resolutions.

The register of members of H Shares of the Company will be closed from Wednesday, September 21, 2022 to Monday, September 26, 2022 (both days inclusive), during which no transfer of H shares will be effected for determining the entitlements of Shareholders to attend and vote at the EGM. In order to qualify as Shareholders to attend and vote at the EGM, holders of H Shares who are not registered must lodge all transfers of shares accompanied by the relevant share certificates with the Company's H Share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Tuesday, September 20, 2022. In order to be eligible to attend and vote at the EGM, the Bondholders shall exercise the conversion rights attaching to the Bonds no later than 3:30 p.m. on Thursday, August 25, 2022.

VIII. RECOMMENDATION

The Board (including the independent non-executive Directors) considers that (i) the proposed adoption of the 2022 Scheme; (ii) the proposed grant of Awards to the Connected Selected Participants under the 2022 Scheme; (iii) the proposed authorization to the Board and/or

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the Delegatee to handle matters pertaining to the 2022 Scheme; (iv) the proposed change of registered capital of the Company; and (v) the proposed amendments to the Articles of Association are in the interests of the Company and its Shareholders as a whole.

Accordingly, the Board recommends the Shareholders to vote in favour of the resolutions in relation to the (i) the proposed adoption of the 2022 Scheme; (ii) the proposed grant of Awards to the Connected Selected Participants under the 2022 Scheme; (iii) the proposed authorization to the Board and/or the Delegatee to handle matters pertaining to the 2022 Scheme; (iv) the proposed change of registered capital of the Company; and (v) the proposed amendments to the Articles of Association.

IX. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular and the notice of the EGM as set out on pages EGM-1 to EGM-5, which forms part of this circular.

Yours faithfully,
For and on behalf of the Board
Dr. Ge Li
Chairman

APPENDIX I RULES OF THE 2022 H SHARE AWARD AND TRUST SCHEME

The following is the full text of the Scheme Rules for the purpose of incorporation in this circular. In case of any discrepancies between the Chinese and English versions of the Scheme Rules, the English version shall prevail.

1. DEFINITIONS AND INTERPRETATION

1.1 In these Scheme Rules, unless the context otherwise requires, each of the following words and expressions shall have the meaning respectively shown opposite to it:

“2021 Scheme”	the H Share award and trust scheme adopted by the Company in accordance with the 2021 Scheme Rules on August 30, 2021;
“Actual Selling Price”	the actual price at which the Award Shares are sold (net of brokerage, stamp duty, any taxes, Stock Exchange trading fee, SFC transaction levy and any other applicable costs) on vesting of an Award pursuant to the Scheme or in the case of a vesting when there is an event of change in control or privatisation of the Company pursuant to Rule 14.1, the consideration receivable under the related scheme or offer;
“Adoption Date”	the date on which the Shareholders approved this Scheme;
“Articles”	the articles of association of the Company as amended from time to time;
“Award”	an award granted by the Board to a Selected Participant, which may vest in the form of Award Shares or the Actual Selling Price of the Award Shares in cash, as the Board may determine in accordance with the terms of the Scheme Rules;
“Award Letter”	shall have the meaning as set out in Rule 7.2;

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“Award Period”	the period commencing on the Adoption Date, and ending on the Business Day immediately prior to the 10 th anniversary of the Adoption Date;
“Award Shares”	the H Shares granted to a Selected Participant in an Award;
“Board”	the board of directors of the Company (please also refer to Rule 1.2(f)), from time to time;
“Business Day”	any day on which the Stock Exchange is open for the business of dealing in securities;
“Company”	WuXi AppTec Co., Ltd.* (無錫藥明康德新藥開發股份有限公司);
“Delegatee”	the Executive Committee, person(s) or board committee(s) to which the Board has delegated its authority;
“Director(s)”	the director(s) of the Company, from time to time;
“Eligible Employee”	any individual, being a Director, supervisor, senior management, mid-level manager, basic-level manager, backbone member of the scientists, other technicians, who is a full-time PRC or non-PRC employee of any members of the Group; however, no individual who is resident in a place where the grant, acceptance or vesting of an Award pursuant to the Scheme is not permitted under the laws and regulations of such place or where, in the view of the Board or the Delegatee, compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual, shall be entitled to participate in the Scheme and such individual shall therefore be excluded from the scope of Eligible Employees;

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“employee”	an employee who has entered into a formal employment contract with the relevant member of the Group;
“Executive Committee”	the executive committee of the Company to which the Board has delegated its authority to administer the Scheme;
“Grant Date”	the date on which the grant of an Award is made to a Selected Participant, being the date of an Award Letter;
“Group”	the Company and its Subsidiaries from time to time, and the expression <i>member of the Group</i> shall be construed accordingly;
“H Shares”	overseas listed foreign shares with a nominal value of RMB1.00 each in the share capital of the Company, which are listed on the Stock Exchange;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“on-market”	the acquisition of H Shares of the Company through one or more transactions through the facilities of the Stock Exchange in accordance with the Listing Rules and any other applicable laws and regulations;
“PRC”	the People’s Republic of China;
“Remuneration and Appraisal Committee”	the remuneration and appraisal committee of the Board;

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“Returned Shares”	such Award Shares that are not vested and/or are forfeited in accordance with the terms of the Scheme, or such H Shares being deemed to be Returned Shares under the Scheme Rules;
“Scheme”	the H Share Award and Trust Scheme adopted by the Company in accordance with these Scheme Rules on the Adoption Date;
“Scheme Limit”	shall have the meaning set out in Rule 15.1;
“Scheme Rules”	the rules set out herein relating to the Scheme as amended from time to time;
“Selected Participant”	any Eligible Employee who, in accordance with Rule 6, is approved for participation in the Scheme and has been granted any Award;
“SFC”	the Securities and Futures Commission of Hong Kong;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong);
“Shareholder(s)”	the shareholder(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary” or “Subsidiaries”	any subsidiary (as the term is defined in the Listing Rules) of the Company;
“Taxes”	shall have the meaning as set out in Rule 9.11;
“Trust”	the trust constituted by the Trust Deed to service the Scheme;
“Trust Deed”	the trust deed to be entered into between the Company and the Trustee (as may be restated, supplemented and amended from time to time);

“Trustee”	the trustee appointed by the Company for the purpose of the Trust, and initially, Computershare Hong Kong Trustees Limited, a company incorporated in Hong Kong and having its registered office at 46th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong;
“Vesting Date”	the date or dates, as determined from time to time by the Board or the Delegatee on which the Award (or part thereof) is to vest in the relevant Selected Participant as set out in the relevant Award Letter pursuant to Rule 7.1, unless a different Vesting Date is deemed to occur in accordance with Rule 14.1;
“Vesting Notice”	shall have the meaning as set out in Rule 9.7; and
“Vesting Period”	shall have the meaning as set out in Rule 9.2.

* *For identification purpose only*

1.2 In these Scheme Rules, except where the context otherwise requires:

- (a) references to Rules are to rules of the Scheme Rules;
- (b) references to times of the day are to Hong Kong time;
- (c) if a period of time is specified as from a given day, or from the day of an act or event, it shall be calculated exclusive of that day;
- (d) a reference to “**dollars**” or to “**\$**” shall be construed as a reference to the lawful currency for the time being of Hong Kong;
- (e) a reference, express or implied, to statutes, statutory provisions or the Listing Rules shall be construed as references to those statutes, provisions or rules as respectively amended or re-enacted or as their application is modified from time to time by other provisions (whether before or after the date hereof) and shall include any statutes, provisions or rules of which are re-enacted (whether with or without modification) and shall include any orders, regulations, instruments, subsidiary legislation, other subordinate legislation or practice notes under the relevant statute, provision or rule;

- (f) unless otherwise indicated, the Board can make determinations in its sole and absolute discretion and if the Board delegates its authority to administer the Scheme to the Delegatee, such Delegatee shall enjoy the same sole and absolute discretion;
- (g) a reference to “**include**”, “**includes**” and “**including**” shall be deemed to be followed by the words “**without limitation**”;
- (h) words importing the singular include the plural and vice versa, and words importing a gender include every gender;
- (i) headings are included in the Scheme Rules for convenience only and do not affect its interpretation; and
- (j) references to any statutory body shall include the successor thereof and any body established to replace or assume the functions of the same.

2. GENERAL INTRODUCTION AND PURPOSE OF THE SCHEME

- 2.1 The Scheme is a share award of H Shares and trust scheme established by the Company to award Eligible Employees, who could be Directors, supervisors, senior management, mid-level managers, basic-level managers, backbone members of the scientists, or other technicians.
- 2.2 A Trust Deed will be entered into between the Company and the Trustee, being Computershare Hong Kong Trustees Limited initially. Pursuant to the Trust Deed, the Trust will be constituted to service the Scheme whereby the Trustee shall assist with the administration of the Scheme and shall, subject to the relevant provisions of the Trust Deed and upon the instruction of the Company, acquire such underlying H Shares of the Scheme through on-market transactions with funds in the amount of not more than HK\$2 billion to be transferred by the Company to the Trust in accordance with Rule 8, provided that the maximum number of H Shares to be so acquired by the Trustee shall be determined by the Board and/or the Delegatee and which shall not exceed 10% (including 10%) above the total number of H Shares acquired by the trustee of the 2021 Scheme in accordance with the instructions of the Company for the purpose of satisfying the awards granted thereunder. Award Shares underlying the Awards granted to the Selected Participants which are acquired by the Trustee shall be held by the Trustee on trust for the benefit of the Selected Participants, and the Trustee shall, for the purposes of vesting of the Award and upon the instruction of the Board or the Delegatee, release from the Trust the Award Shares to the Selected Participants or sell the number of Award Shares so vested on-market at the prevailing market price and pay the Selected Participants the proceeds in cash arising from such sale in accordance with Rule 9 and relevant provisions under the Trust Deed.

2.3 The purposes of the Scheme are:

- (a) to attract, motivate and retain highly skilled and experienced personnel to strive for the future development and expansion of the Group by providing them with the opportunity to be further incentivized by equity interests in the Company, more directly associated with the equity performance of the Company;
- (b) modernize the Company's remuneration practices and to better align with the interests of the Shareholders while seeking a balanced approach in the operational and executive management oversight; and
- (c) to (i) recognize the contributions of the prudent leadership of the Company including the Directors; (ii) encourage, motivate and retain the leadership of the Company whose collective contributions are beneficial to the continual operation, development and long-term growth of the Group; and (iii) introduce additional incentive for the leadership of the Company by aligning the interests of the leadership of the Company to that of the Shareholders and the Group as a whole.

3. CONDITIONS

3.1 The Scheme is conditional upon the passing of a resolution by the Shareholders to approve the adoption of the Scheme and to authorise the Board to grant Awards under the Scheme and to procure the transfer of and otherwise deal with the Award Shares in connection with the Scheme.

4. DURATION

4.1 Subject to Rules 9.5 and 20, the Scheme shall be valid and effective for the Award Period (after which no further Awards will be granted), and thereafter for so long as there are any non-vested Award Shares granted hereunder prior to the expiration of the Scheme, in order to give effect to the vesting of such Award Shares or otherwise as may be required in accordance with the provisions of the Scheme Rules.

5. ADMINISTRATION

5.1 The Scheme shall be subject to the administration of the following administrative bodies:

- (a) the general meeting of the Shareholders, as the institution vested with the supreme authority of the Company, is responsible for the consideration and approval of the adoption of the Scheme. The general meeting of the Shareholders may authorize the Board and/or the Delegatee to deal with all matters related to the Scheme to the extent of its authority;
- (b) the Board is the institution in charge of the administration of the Scheme in accordance with the Scheme Rules and where applicable, the Trust Deed. A decision of the Board or the Delegatee shall be final and binding on all persons affected. The Remuneration and Appraisal Committee shall be responsible for drafting and revising the Scheme and submitting the same to the Board for consideration. Upon consideration and approval of the Scheme, the Board will submit the Scheme to the general meeting of the Shareholders for consideration. The Board and/or the Delegatee may handle all matters related to the Scheme within the authorization by the general meeting of the Shareholders;
- (c) the independent non-executive Directors are the supervisory institution of the Scheme and shall evaluate and communicate their views considering the position of Shareholders on whether the Scheme facilitates the sustainable development of the Company and whether the Scheme impairs the interests of the Company and the Shareholders as a whole. In addition, the independent non-executive Directors will supervise whether the implementation of the Scheme complies with relevant laws, regulations, regulatory documents and the business rules of the Stock Exchange, and is responsible for reviewing the list of the Selected Participants; and
- (d) the Trust will be constituted to service the Scheme whereby the Trustee shall, subject to the relevant provisions of the Trust Deed upon the instruction of the Company, acquire H Shares through on-market transactions with funds in the amount of not more than HK\$2 billion to be transferred by the Company to the Trust, and the maximum number of H Shares to be so acquired by the Trustee shall not exceed 10% (including 10%) above the total number of H Shares acquired by the trustee of the 2021 Scheme in accordance with the instructions of the Company for the purpose of satisfying the awards granted thereunder.

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- 5.2 The authority to administer the Scheme may be delegated by the Board to the Delegatee as deemed appropriate in the sole and absolute discretion of the Board, provided that nothing in this Rule 5.2 shall prejudice the Board's power to revoke such delegation at any time or derogate from the discretion rested with the Board as contemplated in Rule 5.1(b).
- 5.3 Subject to any restrictions in the Scheme Rules, it is noted that as at the Adoption Date the Board has delegated to the Executive Committee the authority to administer the Scheme, including the power to grant an Award under the Scheme.
- 5.4 Without prejudice to the Board's general power of administration, the Board or the Delegatee may from time to time appoint one or more administrators, who may be independent third-party contractors, to assist in the administration of the Scheme, to whom they, in their sole and absolute discretion, may delegate such functions relating to the administration of the Scheme as they may think fit. The duration of office, terms of reference and remuneration (if any) of such administrator(s) shall be determined by the Board in its sole and absolute discretion from time to time.
- 5.5 Without prejudice to the Board's general power of administration, to the extent not prohibited by applicable laws and regulations, the Board or the Delegatee may also from time to time appoint one or more Trustees in respect of granting, administration or vesting of any Award Shares.
- 5.6 Subject to the Scheme Rules, the Listing Rules and any applicable laws and regulations, the Board or the Delegatee shall have the power from time to time to:
- (a) construe and interpret the Scheme Rules and the terms of the Awards granted under the Scheme;
 - (b) pursuant to Rule 15.1, determine the maximum number of H Shares to be acquired by the Trustee which shall not exceed 10% (including 10%) above the total number of H Shares acquired by the trustee of the 2021 Scheme in accordance with the instructions of the Company for the purpose of satisfying the awards granted thereunder;
 - (c) make or vary such arrangements, guidelines, procedures and/or regulations for the administration, interpretation, implementation and operation of the Scheme, provided that they are not inconsistent with the Scheme Rules;
 - (d) decide how the vesting of the Awards Shares will be settled pursuant to Rule 9;

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- (e) determine the basis of eligibility of any Eligible Employee for the grant of Awards from time to time on the basis of their contribution to the development and growth of the Group or such other factors deemed appropriate;
 - (f) grant Awards to those Eligible Employees whom it shall select from time to time;
 - (g) determine the terms and conditions of the Awards;
 - (h) establish, assess and administer performance targets in respect of the Scheme;
 - (i) approve the form and content of an Award Letter;
 - (j) adjust the number of outstanding Award Shares or accelerate the Vesting Dates of any Awards pursuant to Rule 14;
 - (k) exercise any authority as may be granted by the Shareholders from time to time;
 - (l) engage bank(s), accountant(s), lawyer(s), consultant(s) and other professional parties for the purpose of the Scheme; and
 - (m) sign, execute, amend and terminate all documents relating to the Scheme, undertake all procedures relevant to the Scheme and take such other steps or actions to give effect to the terms and intent of the Scheme Rules.
- 5.7 None of the Directors or any Delegatee shall be personally liable by reason of any contract or other instrument executed by him/her, or on his/her behalf or for any mistake of judgment made in good faith, for the purposes of the Scheme, and the Company shall indemnify and hold harmless each member of the Board and any Delegatee in relation to the administration or interpretation of the Scheme, against any cost or expense (including legal fees) or liability (including any sum paid in settlement of a claim with the approval of the Board) arising out of any act or omission to act in connection with the Scheme unless arising out of such person's own wilful default, fraud or bad faith.
- 5.8 In respect of the administration of the Scheme, the Company shall comply with all applicable disclosure regulations including those imposed by the Listing Rules and all applicable PRC laws, regulations and rules.

6. SELECTION OF SELECTED PARTICIPANT

- 6.1 The Board or the Delegatee may, from time to time, select any Eligible Employee to be a Selected Participant and, subject to Rule 6.3, grant an Award to such Selected Participant during the Award Period conditional upon fulfilment of terms and conditions of the Awards and performance targets as the Board or the Delegatee determines from time to time.
- 6.2 The Selected Participants are determined in accordance with the Company Law of the PRC, the Securities Law of the PRC and other applicable laws, regulations and regulatory documents and the relevant provisions of the Articles, together with the Company's actual circumstances and matters including the present and expected contribution of the relevant Selected Participant to the Group.

No one should be considered as a Selected Participant of the Scheme if he:

- (a) has been deemed as an inappropriate candidate for similar award schemes of share incentive plans of a listed company by any securities regulatory bodies with authority in the most recent 12 months;
 - (b) has been imposed with penalties or is banned from trading securities by securities regulatory bodies due to material non-compliance with laws or regulations in the most recent 12 months; or
 - (c) is prohibited from acting as a director or member of the senior management of a company due to occurrence of circumstances as stipulated in the Company Law of the PRC.
- 6.3 Notwithstanding the provision in Rule 6.1 and Rule 6.2, no grant of any Award Shares to any Selected Participant may be made and no directions or recommendations shall be given to the Trustee with respect to a grant of an Award under the circumstances below, and any such grant so made or any such direction or recommendation so given shall be null and void to the extent (and only to the extent) that it falls within the circumstances below:
- (a) in any circumstances where the requisite approval from any applicable regulatory authorities has not been granted;
 - (b) in any circumstances that any member of the Group will be required under applicable securities laws, rules or regulations to issue a prospectus or other offer documents in respect of such Award or the Scheme, unless the Board determines otherwise;

- (c) where such Award would result in a breach by any member of the Group or its directors of any applicable securities laws, rules or regulations in any jurisdiction;
- (d) where such grant of Award would result in a breach of the Scheme Limit;
- (e) after the expiry of the Award Period or after the earlier termination of this Scheme in accordance with Rule 20;
- (f) where any Director is in possession of unpublished inside information (as defined under the SFO) in relation to the Company or where any Director reasonably believes there is inside information which must be disclosed pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the SFO or where dealings by Directors are prohibited under any code or requirement of the Listing Rules or any applicable laws, rules or regulations;
- (g) during the period of 60 days immediately preceding the publication date of the annual results of the Group or, if shorter, the period from the end of the relevant financial year up to the publication date of such results; and
- (h) during the period of 30 days immediately preceding the publication date of the quarterly or half-year results of the Group or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of such results.

7. AWARD LETTER AND NOTIFICATION OF GRANT OF AWARDS

- 7.1 Subsequent to the obtaining of the Shareholders' approval in connection with the proposed adoption of the Scheme, the Company will transfer the necessary funds (being the Scheme Limit) for the Trustee to acquire H Shares through on-market transactions from time to time at prevailing market price as the source of the Award Shares under the Scheme. The grant of Awards to the Selected Participants shall be subject to the fulfillment of the conditions as determined by the Board and/or the Delegatee to be set out in the Award Letter (if any). If such conditions cannot be satisfied, the relevant grant of Awards to such selected Participants will not take effect and the Trustee shall hold and make use of such acquired H Shares in accordance with the relevant instructions of the Company, which could potentially involve the use of the acquired H Shares for the purpose of serving as the underlying shares of the awards to be granted under the 2023 H Share award and trust scheme of the Company (with terms and mechanism similar to the Scheme) (if any).

7.2 The Company shall issue a letter to each Selected Participant in such form as the Board or the Delegatee may from time to time determine, specifying the Grant Date, the manner of acceptance of the Award, the number of Award Shares underlying the Award, the vesting criteria and conditions, and the Vesting Date and such other details, terms and conditions as they may consider necessary and in accordance with this Scheme (an “**Award Letter**”).

7.3 As soon as practicable after the grant of any Award to a Selected Participant, the Company shall provide a fully executed copy of the Award Letter to the Trustee.

8. ACQUISITION OF H SHARES BY THE TRUSTEE

8.1 Subject to Rule 8.4 and Rule 15.1, the Company shall as soon as reasonably practicable, for the purposes of satisfying the grant of Awards, transfer to the Trust the necessary funds and instruct the Trustee to acquire H Shares through on-market transactions at the prevailing market price. Subject to Rule 14, the Company shall instruct the Trustee whether or not to apply any Returned Shares to satisfy any grant of Awards made, and if the Returned Shares, as specified by the Company, are not sufficient to satisfy the Awards granted, the Company shall, subject to Rule 8.3 as soon as reasonably practicable, for purposes of satisfying the Awards granted, transfer to the Trust the necessary funds and instruct the Trustee to acquire further H Shares through on-market transactions at the prevailing market price.

8.2 Where the Trustee has received instructions from the Company to acquire H Shares through on-market transactions, the Trustee shall acquire such number of H Shares as instructed by the Company on-market at the prevailing market price as soon as reasonably practicable after receiving the necessary funds from the Company.

8.3 The Trustee shall only be obliged to transfer Award Shares to Selected Participants on vesting to the extent that Award Shares are comprised in the Trust.

8.4 The Company shall not instruct the Trustee to acquire H Shares through on-market transactions at the prevailing market price, where (i) such action (as applicable) is prohibited under the Listing Rules, other applicable PRC laws, regulations and rules, the SFO or any other applicable laws from time to time; or (ii) during such periods as stated in Rules 6.3(g) and (h). Where such a prohibition causes the prescribed timing imposed by the Scheme Rules or the Trust Deed to be missed, such prescribed timing shall be treated as extended until as soon as reasonably practicable after the first Business Day on which the prohibition no longer prevents the relevant action.

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9. VESTING OF AWARD

9.1 The Board or the Delegatee may from time to time while the Scheme is in force and subject to all applicable laws, rules and regulations, determine such vesting criteria and conditions or periods for the Award to be vested hereunder.

9.2 Unless otherwise specified in the Award Letter approved by the Board or the Delegatee, the vesting periods (each a “**Vesting Period**”) of the Awards granted under the Scheme are as follows.

(A) For Awards to be granted to Selected Participants who are Eligible Employees as at the Adoption Date:

	Vesting Periods	Proportion of Vesting
First Vesting Period	Within the year immediately following the first anniversary of the Grant Date	25%
Second Vesting Period	Within the year immediately following the second anniversary of the Grant Date	25%
Third Vesting Period	Within the year immediately following the third anniversary of the Grant Date	25%
Fourth Vesting Period	Within the year immediately following the fourth anniversary of the Grant Date	25%

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(B) For Awards to be granted to Selected Participants who (i) shall become Eligible Employees subsequent to the Adoption Date; and (ii) shall have been given the entitlement to be granted Awards pursuant to the relevant offer letters to be issued by the Company in connection with their employment within the Group:

	Vesting Periods	Proportion of Vesting
First Vesting Period	Within the year immediately following the first anniversary of the commencement date of the employment of the Selected Participant with the relevant member of the Group	0%
Second Vesting Period	Within the year immediately following the second anniversary of the commencement date of the employment of the Selected Participant with the relevant member of the Group	25%
Third Vesting Period	Within the year immediately following the third anniversary of the commencement date of the employment of the Selected Participant with the relevant member of the Group	25%
Fourth Vesting Period	Within the year immediately following the fourth anniversary of the commencement date of the employment of the Selected Participant with the relevant member of the Group	50%

9.3 Vesting of the Award granted under the Scheme is subject to conditions of the individual performance indicators of the Selected Participants as set out in this Rule 9.3, and any other applicable vesting conditions as set out in the Award Letter.

The individual performance indicators of the Selected Participants are as follows:

According to the applicable performance management rules adopted by the Company, the Board or the Delegatee shall carry out annual comprehensive appraisal on the Selected Participants and determine the actual vesting amount of the Awards granted under the Scheme accordingly. The actual vesting amount of the Award granted to a Selected Participant for the respective Vesting Periods shall be equal to the standard coefficient x the planned vesting amount for the respective Vesting Periods. The coefficient for individual performance appraisal results of grade B- (or its equivalent appraisal result such as “meet expectations”) or above is 100% whereas the coefficient for individual performance appraisal results below grade B- is 0.

If the Selected Participant fails to fulfil the individual performance indicators above, all the Award Shares underlying the relevant Awards which may otherwise be vested during the respective Vesting Periods shall not be vested and shall be held by the Trustee as Returned Shares for application towards future Awards in accordance with the Scheme rules for the purpose of the Scheme.

- 9.4 If the Vesting Date is not a Business Day, the Vesting Date shall, subject to any trading halt or suspension in the H Shares, be the Business Day immediately thereafter.
- 9.5 For the avoidance of doubt, the Vesting Periods of the Awards granted under any subsequent grant of the scheme or the Awards to be satisfied by the application of any Returned Shares shall be determined by the Board or the Delegatee in its sole and absolute discretion, and shall in any event not extend beyond the then remaining term of the Award Period at the time of grant.
- 9.6 For the purposes of vesting of the Award, the Board or the Delegatee may either:
- (a) direct and procure the Trustee to release from the Trust the Award Shares to the Selected Participants by transferring the number of Award Shares to the Selected Participants in such manner as determined by them from time to time; or
 - (b) to the extent that, at the determination of the Board or the Delegatee, it is not practicable for the Selected Participant to receive the Award in H Shares solely due to legal or regulatory restrictions with respect to the Selected Participant’s ability to receive the Award in H Shares or the Trustee’s ability to give effect to any such transfer to the Selected Participant, the Board or the Delegatee will direct and procure the Trustee to sell, on-market at the prevailing market price, the number of Award Shares so

vested in respect of the Selected Participant and pay the Selected Participant the proceeds in cash arising from such sale based on the Actual Selling Price of such Award Shares as set out in the Vesting Notice.

- 9.7 Except in the circumstances as set out in Rule 9.11, barring any unforeseen circumstances, within a reasonable time period as agreed between the Trustee and the Board from time to time prior to any Vesting Date, the Board or the Delegatee shall send to the relevant Selected Participant a vesting notice (the “**Vesting Notice**”). The Board or the Delegatee shall forward a copy of the Vesting Notice to the Trustee and instruct the Trustee the extent to which the Award Shares held in the Trust shall be transferred and released from the Trust to the Selected Participant in the manner as determined by the Board or the Delegatee, or be sold as soon as practicable from the Vesting Date.
- 9.8 Except in the circumstances as set out in Rule 9.11, subject to the receipt of the Vesting Notice and the instructions from the Board or the Delegatee, the Trustee shall transfer and release the relevant Award Shares to the relevant Selected Participant in the manner as determined by the Board or the Delegatee or sell the relevant Award Shares within any time stipulated in Rule 9.7 above and pay the Actual Selling Price to the Selected Participant within a reasonable time period in satisfaction of the Award.
- 9.9 Any stamp duty or other direct costs and expenses arising on vesting and transfer of the Award Shares to or for the benefit of the Selected Participants shall be borne by the Company. Any duty or other direct costs and expenses arising on the sale of the Award Shares due to the vesting shall be borne by the Selected Participant.
- 9.10 All costs and expenses in relation to all dealings with the Award Shares after vesting and transfer of the Award Shares to the Selected Participant (as the case may be) shall be borne by the Selected Participant and neither the Company nor the Trustee shall be liable for any such costs and expenses thereafter.
- 9.11 Other than the stamp duty to be borne by the Company in accordance with Rule 9.9, all other taxes (including personal income taxes, professional taxes, salary taxes and similar taxes, as applicable), duties, social security contributions, impositions, charges and other levies arising out of or in connection with the Selected Participant’s participation in the Scheme or in relation to the Award Shares or cash amount of equivalent value of the Award Shares (the “**Taxes**”) shall be borne by the Selected Participant and neither the Company nor the Trustee shall be liable for any Taxes. The Selected Participant will indemnify the Trustee and all members of the Group against any liability each of them may have to pay or account for such

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Taxes, including any withholding liability in connection with any Taxes. To give effect to this, the Trustee or any member of the Group may, notwithstanding anything else in these Scheme Rules (but subject to applicable law):

- (a) reduce or withhold the number of the Selected Participant's Award Shares underlying the Award (the number of Award Shares underlying the Award that may be reduced or withheld shall be limited to the number of Award Shares that have a fair market value on the date of withholding that, in the reasonable opinion of the Company is sufficient to cover any such liability);
- (b) sell, on the Selected Participant's behalf, such number of H Shares to which the Selected Participant becomes entitled under the Scheme and retain the proceeds and/or pay them to the relevant authorities or government agency;
- (c) deduct or withhold, without notice to the Selected Participant, the amount of any such liability from any payment to the Selected Participant made under the Scheme or from any payments due from a member of the Group to the Selected Participant, including from the salary payable to the Selected Participant by any member of the Group; and/or
- (d) require the Selected Participant to remit to any member of the Group, in the form of cash or a certified or bank cashier's check, an amount sufficient to satisfy any Taxes or other amounts required by any governmental authority to be withheld and paid over to such authority by any member of the Group on account of the Selected Participant or to otherwise make alternative arrangements satisfactory to the Company for the payment of such amounts.

The Trustee shall not be obliged to transfer any Award Shares (or pay the Actual Selling Price of such Award Shares in cash) to a Selected Participant unless and until the Selected Participant satisfies the Trustee and the Company that such Selected Participant's obligations under this Rule have been met.

10. CHANGES OF CIRCUMSTANCES PERTAINING TO THE SELECTED PARTICIPANTS

10.1 If a Selected Participant changes his/her job position in the Group, the outstanding Award Shares not yet vested shall continue to vest in accordance with the Vesting Dates set out in the Award Letter, unless the Board or the Delegatee determines otherwise in its sole and absolute discretion. However, if a Selected Participant has a change in job position due to any of the following reasons:

- (a) he/she is not qualified for his/her job;
- (b) violates laws, violates professional ethics, reveals confidential information of the Company;
- (c) fails to discharge his/her duties or has committed wilful misconduct, materially violates the policies of the Group;
- (d) causing damages to the interest or reputation of the Group; or
- (e) the Group terminates his/her employment contract for any of the above reasons,

any outstanding Award Shares not yet vested shall be immediately forfeited, unless the Board or the Delegatee determines otherwise in its sole and absolute discretion.

10.2 If a Selected Participant ceases to be an Eligible Employee by reason of disqualification from participating in the Scheme due to any of the reasons set forth in Rule 6.2 under which no one should be considered as a Selected Participant, any outstanding Award Shares not yet vested shall be immediately forfeited, unless the Board or the Delegatee determines otherwise in its sole and absolute discretion.

10.3 If a Selected Participant ceases to be an Eligible Employee by reason of leaving the Group due to resignation or redundancy, expiration or termination of labor contract by the Group, any outstanding Award Shares not yet vested shall be immediately forfeited, unless the Board or the Delegatee determines otherwise in its sole and absolute discretion.

10.4 If a Selected Participant ceases to be an Eligible Employee by reason of termination of the Selected Participant's employment or contractual engagement with the Group or resignation due to incapacity resulting from work injury, any outstanding Award Shares not yet vested shall continue to vest in accordance with the Vesting Dates set out in the Award Letter, unless the Board or the Delegatee determines otherwise in its sole and absolute discretion.

APPENDIX I RULES OF THE 2022 H SHARE AWARD AND TRUST SCHEME

- 10.5 If a Selected Participant ceases to be an Eligible Employee by reason of termination of the Selected Participant's employment or contractual engagement with the Group or resignation due to incapacity not resulting from work injury, any outstanding Award Shares not yet vested shall be immediately forfeited, unless the Board or the Delegatee determines otherwise in its sole and absolute discretion.
- 10.6 Subject to Rules 10.12 and 12.1(f), if a Selected Participant ceases to be an Eligible Employee by reason of death of the Selected Participant due to work injury, any outstanding Award Shares not yet vested shall continue to vest in accordance with the Vesting Dates set out in the Award Letter, unless the Board or the Delegatee determines otherwise in its sole and absolute discretion. The individual performance appraisal results of such Selected Participant will no longer be included as vesting conditions.
- 10.7 If a Selected Participant ceases to be an Eligible Employee by reason of death of the Selected Participant not due to work injury, on the date of the occurrence of such event, any outstanding Award Shares not yet vested shall be immediately forfeited, unless the Board or the Delegatee determines otherwise in its sole and absolute discretion.
- 10.8 If a Selected Participant is declared bankrupt or becomes insolvent or makes any arrangements or composition with his or her creditors generally, any outstanding Award Shares not yet vested shall be immediately forfeited, unless the Board or the Delegatee determines otherwise in its sole and absolute discretion.
- 10.9 If a Selected Participant fails, during the course of his employment, to devote whole of his time and attention to the business of the Group or to use his best endeavours to develop the business and interests of the Group (as determined by the Board or the Delegatee in its sole and absolute discretion), any outstanding Award Shares not yet vested shall be immediately forfeited, unless the Board or the Delegatee determines otherwise in its sole and absolute discretion.
- 10.10 If a Selected Participant is in breach of his contract of employment of the Group or any other obligation to the Group (including without limitation the restrictive covenants as set out in Rule 13), any outstanding Award Shares not yet vested shall be immediately forfeited, unless the Board or the Delegatee determines otherwise in its sole and absolute discretion.
- 10.11 If a Selected Participant ceases to be an Eligible Employee for reasons other than those set out in Rules 10.1 to 10.10, any outstanding Award Shares not yet vested shall be immediately forfeited, unless the Board or the Delegatee determines otherwise in its sole absolute discretion.

10.12 In the event that an Award or any part thereof to a Selected Participant vests by reason of the death of such Selected Participant, the Trustee shall hold such number of Awards Shares as are equal to the vested Award Shares or the Actual Selling Price (hereinafter referred to as “**Benefits**”) on trust and to transfer the same to the legal personal representatives of the Selected Participant within two years of the death of the Selected Participant (or such longer period as the Trustee and the Company shall agree from time to time) or, if the Benefits would otherwise become bona vacantia, the Benefits shall be forfeited and cease to be transferable and such Benefits shall be held by the Trustee as Returned Shares or funds of the Trust for the purposes of the Scheme. Notwithstanding the foregoing, the Benefits held upon the trusts hereof shall until transfer is made in accordance herewith be retained and may be invested and otherwise dealt with by the Trustee in every way as if they had remained part of the Trust.

10.13 The Company shall, from time to time, inform the Trustee in writing, the date in which such Selected Participant ceased to be an Eligible Employee and any amendments to the terms and conditions of the Award in respect to such Selected Participant (including the number of Award Shares entitled).

10.14 If a Selected Participant’s employment relationship with the Group is terminated by any reason, (i) all Award Shares so vested shall be sold, on-market at the prevailing market price, within three months of such termination of employment relationship with the Group; and (ii) after the expiry of the three month period as set out in Rule 10.14(i), the Company reserves the right to direct and procure the Trustee to sell, on-market and at the prevailing market price, all Award Shares so vested but not sold by the Selected Participant pursuant to Rules 9 and 10.14(i).

11. TRANSFERABILITY AND OTHER RIGHTS TO AWARD SHARES

11.1 Any Award granted hereunder but not yet vested shall be personal to the Selected Participant to whom it is made and shall not be assignable or transferable and no Selected Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to any Award, or enter into any agreement to do so.

11.2 Any actual or purported breach of Rule 11.1 shall entitle the Company to cancel any outstanding Award or part thereof granted to such Selected Participant without any compensation or replacement award as stated in Rule 19.1. For this purpose, a determination from the legal department of the Company or such other person(s) delegated this function by the Board, to the effect that the Selected Participant has or has not breached any of the foregoing shall be final and conclusive as to such Selected Participant.

12. INTEREST IN THE ASSETS OF THE TRUST

12.1 For the avoidance of doubt:

- (a) a Selected Participant shall have only a contingent interest in the Award subject to the vesting of such Award in accordance with Rules 9 and 14;
- (b) no instructions may be given by a Selected Participant to the Trustee in respect of the Award or any other property of the Trust and the Trustee shall not follow instructions given by a Selected Participant to the Trustee in respect of the Award or any other property of the Trust;
- (c) neither the Selected Participant nor the Trustee may exercise any voting rights attached to any H Shares held by the Trustee under the Trust (including any Award Shares that have not yet vested);
- (d) a Selected Participant shall have no right to any dividend underlying the non-vested Award Shares or any of the Returned Shares or any dividend, right to any cash or non-cash income, distribution, sale proceeds of non-cash and non-scrip distributions underlying the Returned Shares, all of which shall be retained by the Trustee for the benefit of the Scheme, including but not limited to the payment of costs in connection with the operations of the Scheme such as the fees of professional parties engaged by the Company for the purpose of this Scheme from time to time;
- (e) a Selected Participant shall have no rights in the balance of the fractional shares arising out of consolidation of H Shares (if any) and such H Shares shall be deemed as Returned Shares for the purposes of the Scheme;
- (f) in the case of the death of a Selected Participant, the Benefits shall be forfeited if no transfer of the Benefits to the legal personal representatives of the Selected Participant is made within the period prescribed in Rule 10.12 and the legal personal representatives of the Selected Participant shall have no claims against the Company or the Trustee; and
- (g) in the event a Selected Participant ceases to be an Eligible Employee on or prior to the relevant Vesting Date and the Award in respect of the relevant Vesting Date shall lapse or be forfeited pursuant to the Scheme, such Award shall not vest on the relevant Vesting Date and the Selected Participant shall have no claims against the Company or the Trustee, unless the Board or the Delegatee determines otherwise in its sole and absolute discretion.

13. RESTRICTIVE COVENANTS

13.1 By accepting any Award granted pursuant to the Scheme, a Selected Participant shall be deemed to have made the restrictive covenants set forth in this Rule 13 to and for the benefit of the Group.

13.2 The Selected Participant hereby undertakes to the Group that he will not at any time whilst an employee, director, shareholder or otherwise interested in the Group (save in so far as is reasonably necessary to fulfil his duties to the Group) or at any time thereafter, directly or indirectly use or disclose or communicate to any person any information concerning the affairs, business methods, processes, systems, inventions, plans or research and development of the Group or those of its customers, clients or suppliers and which may be reasonably regarded as being confidential to the Group or to such persons (other than information which he is required to be disclosed by law or which is for the relevant time being in the public domain other than by reason of wrongful disclosure of the same by him) and will use his best endeavours to prevent the publication or disclosure of any such information by any third party.

13.3 The Selected Participant undertakes to the Group that he will not, except with the prior written approval of the Company, be directly or indirectly concerned with or engaged or interested in any other business which is in any respect in competition with or similar to the business of the Group during his employment with the Group, save that this restriction shall not apply to any holding of H Shares or other securities in the Company.

13.4 The Selected Participant undertakes to the Group that:

- (a) for so long as he is employed by the Company or any other member within the Group he will devote his full time and attention to the business of the Group and will use his best endeavours to develop the business and interests of the Group and will not be concerned with any other (competitive or other) business; and
- (b) upon his ceasing (for any reason) to be employed by the Group he will not for a period of two (2) years from the date he ceases to be so employed, whether on his own account or on behalf of any other person, firm or company:
 - i. solicit (in connection with any business of a type then carried on by the Group) interfere with or endeavour to entice away from any member within the Group any person, firm or company who at any time during the period of one year

immediately preceding such cessation, was to his knowledge a material customer, client, supplier, agent, distributor, or an employee or consultant (by whatever title called) of a member within the Group;

- ii. seek to interfere with the continuance of the supply of goods or services to any member within the Group or the terms of any such supply; or
- iii. carry on, engage in or be concerned or interested either as principal or agent or as a shareholder, partner or employee of any other person in any business or activity which involves the offer, sale or supply of products or services to customers in the PRC or any other territory in which the Group offers such sale or supply for the relevant time being, competes with the business in which any member within the Group is or was engaged in the twelve months prior to the date he ceases to be employed by the Group; or
- iv. use or allow the use by any third party of any name, logo or other intellectual property rights used by any member within the Group or any name or logo likely to be confused therewith otherwise than in the conduct of the business of the Group; and
- v. deal in the H Shares which would violate (i) any applicable laws, regulations and rules in any relevant jurisdictions including, without limitation, the SFO, other Hong Kong securities laws, and the U.S. Securities Act of 1933, as amended from time to time, and (ii) any internal policy of the Company in connection with dealing in the H Shares.

13.5 The Selected Participant undertakes to the Group that he shall not, during either the course of his employment by the Group or for a period of two (2) years from the date he ceases to be employed by the Group, make, publish, or otherwise transmit any disparaging or defamatory statements, whether written or oral, regarding the Group or its employees, products, operations, procedures, policies, business or services.

14. TAKEOVER, RIGHTS ISSUE, OPEN OFFER, SCRIP DIVIDEND SCHEME, ETC.

Change in control

14.1 If there is an event of change in control of the Company by way of a merger, a privatisation of the Company by way of a scheme or by way of an offer, change of actual control of the Company involving reorganization of major assets, the Company no longer exists after merger with another company, or division of the Company, the Board or the Delegatee shall

in its sole and absolute discretion determine whether the Vesting Dates of any Awards will be accelerated. If the Vesting Dates of any Awards are accelerated, the procedures as set out in Rule 9.7 shall apply except that the Vesting Notice will be sent to such Selected Participant affected by this Rule 14.1 based on the proposed Vesting Date as soon as practicable once the proposed Vesting Date is known. The Trustee shall transfer the Award Shares or pay the Actual Selling Price in cash, as the case may be, to the Selected Participant in accordance with the Vesting Notice.

For the purpose of Rule 14.1, “control” shall have the meaning as specified in the Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC from time to time.

Open offer and rights issue

14.2 In the event the Company undertakes an open offer of new securities, the Trustee shall not subscribe for any new H Shares. In the event of a rights issue, the Trustee shall not take any step to exercise any nil-paid rights and shall sell such nil-paid rights in respect of any H Shares which are held by the Trustee (if there is an open market for such rights). The aggregate proceeds of such sale may be applied by the Trustee to purchase H Shares for the purposes of satisfying any further Awards to be from time to time made by the Company under the Scheme and to cover the reasonable costs and expenses of the Trustee in the performance of its duties under the Trust Deed.

Bonus warrants

14.3 In the event the Company issues bonus warrants in respect of any H Shares which are held by the Trustee, the Trustee shall not, unless otherwise instructed by the Company, subscribe for any new H Shares by exercising any of the subscription rights attached to the bonus warrants, and shall sell the bonus warrants created and granted to it, and the net proceeds of sale of such bonus warrants shall be held as funds of the Trust.

Scrip Dividend

14.4 In the event the Company undertakes a scrip dividend scheme, the Trustee shall elect to receive the scrip Shares and such H Shares will be held as Returned Shares.

Capitalization Issue, Consolidation, Sub-division, Bonus Issue and Other Distribution

14.5 In the event the Company undertakes a capitalization issue, sub-division, consolidation or reduction of the H Shares, corresponding changes will be made to the number of outstanding Award Shares that have been granted provided that the adjustments shall be made in such

manner as the Board determines to be fair and reasonable in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Scheme for the Selected Participants. All fractional shares (if any) arising out of such consolidation or sub-division in respect of the Award Shares of a Selected Participant shall be deemed as Returned Shares and shall not be transferred to the relevant Selected Participant on the relevant Vesting Date.

14.6 In the event of an issue of H Shares by the Company credited as fully paid to the holders of the H Shares by way of capitalisation of profits or reserves (including share premium account), the H Shares attributable to any Award Shares held by the Trustee shall be deemed to be an accretion to such Award Shares and shall be held by the Trustee as if they were Award Shares purchased by the Trustee hereunder and all the provisions hereof in relation to the original Award Shares shall apply to such additional Shares.

14.7 In the event of any non-cash distribution or other events not referred to above by reason of which the Board considers an adjustment to an outstanding Award to be fair and reasonable, an adjustment shall be made to the number of outstanding Award Shares of each Selected Participant as the Board shall consider to be fair and reasonable in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Scheme for the Selected Participants. The Company shall provide such funds, or such directions on application of the Returned Shares or other funds in the Trust, as may be required to enable the Trustee to purchase H Shares on-market at the prevailing market price to satisfy the additional Award.

14.8 In the event of other non-cash and non-scrip distributions made by the Company not otherwise referred to in the Scheme Rules in respect of the H Shares held upon Trust, the Trustee shall sell such distribution and the net sale proceeds thereof shall be deemed as cash income of an H Share held upon the Trust.

Voluntary winding-up

14.9 If an effective resolution is passed during the Award Period for the voluntary winding-up of the Company (other than for the purposes of a reconstruction, amalgamation or scheme of arrangement), the Board or the Delegatee shall in its sole and absolute discretion determine whether the Vesting Dates of any Awards will be accelerated and whether the Selected Participant will be entitled to receive out of the assets available in liquidation on an equal basis with the Shareholders such sum as they would have received in respect of the Awards.

Compromise or arrangement

14.10 If a compromise or arrangement between the Company and its Shareholders or creditors is proposed in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies and a notice is given by the Company to its Shareholders to convene a general meeting to consider and if thought fit approve such compromise or arrangement and such shareholders' approval is obtained, the Board or the Delegatee shall in its sole and absolute discretion determine whether the Vesting Dates of any Awards will be accelerated.

15. SCHEME LIMIT

15.1 The maximum size of the Scheme shall be the maximum number of H Shares that will be acquired by the Trustee through on-market transactions from time to time at the prevailing market price pursuant to Rule 8.1 with funds in the amount of not more than HK\$2 billion, provided that the maximum number of H Shares to be so acquired by the Trustee shall be determined by the Board and/or the Delegatee and which shall not exceed 10% (including 10%) above the total number of H Shares acquired by the trustee of the 2021 Scheme in accordance with the instructions of the Company for the purpose of satisfying the awards granted thereunder (the "**Scheme Limit**"). The Company shall not make any further grant of Award which will result in the aggregate number of H Shares underlying all grants made pursuant to the Scheme (excluding Award Shares that have been forfeited in accordance with the Scheme) to exceed the Scheme Limit without Shareholders' approval.

16. RETURNED SHARES

16.1 The Trustee shall hold Returned Shares to be applied towards future Awards in accordance with the provisions hereof for the purpose of the Scheme. When H Shares have been deemed to be Returned Shares under the Scheme Rules, the Trustee shall notify the Company accordingly.

17. INTERPRETATION

17.1 Any decision to be made under the Scheme, including matters of interpretation with respect to the Scheme Rules, shall be made by the Board or the Delegatee. The decision by the Board shall be final and binding.

18. ALTERATION OF THE SCHEME

18.1 Subject to the Scheme Limit, the Scheme may be altered in any respect by a resolution of the Board or the Delegatee provided that no such alteration shall operate to affect materially and adversely any subsisting rights of any Selected Participant unless otherwise provided for in these Scheme Rules, except:

- (a) with the consent in writing of Selected Participants amounting to more than half of the nominal value of all Award Shares held by the Trustee on that date; or
- (b) with the sanction of an ordinary resolution that is passed at a meeting of the Selected Participants amounting to more than half of the nominal value of all Award Shares held by the Trustee on that date.

18.2 Where the Board or the Delegatee alters the Scheme, the independent non-executive Directors shall express independent opinion on whether the altered Scheme facilitates the sustainable development of the Company and whether the altered Scheme impairs the interests of the Company and the Shareholders as a whole.

18.3 For the avoidance of doubt, the change in the subsisting rights of a Selected Participant in Rule 18.1 refers solely to any change in the rights in respect of the Award Shares already granted to a Selected Participant and the determination of whether any proposed alteration is material and adverse by the Board or the Delegatee shall be conclusive.

18.4 For any such meeting of Selected Participants referred to in Rule 18.1, all the provisions of the Articles as to general meetings of the Company shall apply *mutatis mutandis* as though the H Shares then held by the Trustee on behalf of Selected Participants were a separate class of shares forming part of the share capital of the Company except that:

- (a) not less than 7 days' notice of such meeting shall be given;
- (b) a quorum at any such meeting shall be two Selected Participants present in person or by proxy;
- (c) every Selected Participant present in person or by proxy at any such meeting shall be entitled on a show of hands to one vote, and on a poll, to one vote for each Award Share awarded to him or her and held by the Trustee (but, for the avoidance of doubt, excluding for this purpose any Returned Shares);
- (d) any Selected Participant present in person or by proxy may demand a poll; and

- (e) if any such meeting is adjourned for want of a quorum, such adjournment shall be to such date and time, being not less than 7 nor more than 14 days thereafter, and to such place as may be appointed by the chairman of the meeting (as appointed by the Board). At any adjourned meeting those Selected Participants who are then present in person or by proxy shall form a quorum provided that Rule 18.4(b) shall be complied with in the event of any such adjournment. At least 7 days' notice of any adjourned meeting shall be given in the same manner as for an original meeting and such notice shall state that those Selected Participants who are then present in person or by proxy shall form a quorum provided that Rule 18.4(b) shall be complied with.

19. CANCELLATION OF AWARDS

19.1 The Board or the Delegatee may in its sole and absolute discretion cancel any Award that has not vested or been forfeited, provided that:

- (a) the Company or any member of the Group pay to the Selected Participant an amount equal to the fair value of the Award at the date of the cancellation as determined by the Board, after consultation with the auditors or an independent financial adviser appointed by the Board;
- (b) the Company or the relevant member of the Group provides to the Selected Participant a replacement award (or a grant or option under any other restricted share unit scheme, share option scheme or share-related incentive scheme) of equivalent value to the Awards to be cancelled; or
- (c) the Board makes any arrangement as the Selected Participant may agree in order to compensate him/her for the cancellation of the Awards.

20. TERMINATION

20.1 Subject to Rule 4, the Scheme shall terminate on the earlier of:

- (a) the end of the Award Period except in respect of any non-vested Award Shares granted hereunder prior to the expiration of the Scheme, for the purpose of giving effect to the vesting of such Award Shares or otherwise as may be required in accordance with the provisions of the Scheme; and

(b) such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of any Selected Participant hereunder; provided further that for the avoidance of doubt, the change in the subsisting rights of a Selected Participant in this Rule 20.1(b) refers solely to any change in the rights in respect of the Award Shares already granted to a Selected Participant.

20.2 On the Business Day following the settlement, lapse, forfeiture or cancellation (as the case may be) of the last outstanding Award made under the Scheme, the Trustee shall sell all the H Shares remaining in the Trust within a reasonable time period as agreed between the Trustee and the Company upon receiving notice of the settlement, lapse, forfeiture or cancellation (as the case may be) of such last outstanding Award (or such longer period as the Company may otherwise determine), and remit all cash and net proceeds of such sale referred to in this Rule 20.2 and other funds remaining in the Trust (after making appropriate deductions in respect of all disposal costs, expenses and other existing and future liabilities in accordance with the Trust Deed) to the Company. For the avoidance of doubt, the Trustee shall not transfer any H Shares to the Company nor may the Company otherwise hold any H Shares whatsoever (other than the proceeds in the sale of such H Shares pursuant to this Rule 20.2).

20.3 Subsequent to the termination of the Scheme, the Company reserves the right to direct and procure the Trustee to sell, on-market and at the prevailing market price, (i) all Award Shares which have vested prior to the termination of the Scheme and not been sold by the Selected Participants as at the date of the termination of the Scheme; and (ii) Award Shares granted hereunder but not vested as at the date of the termination of the Scheme but which have subsequently been vested to the Selected Participants pursuant to Rules 9 and 20.1(a) above and not been sold by the Selected Participants within three months after such vesting.

21. MISCELLANEOUS

21.1 The Scheme shall not form part of any contract of employment between the Company or any Subsidiary and any Eligible Employee, and the rights and obligations of any Eligible Employee under the terms of his/her office or employment shall not be affected by his/her participation in the Scheme or any right which he/she may have to participate in it and the Scheme shall afford such Eligible Employee no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason.

21.2 The Company shall bear the costs of establishing and administering the Scheme, including, for the avoidance of doubt, costs arising from communication as referred to in Rule 21.3, expenses incurred in the purchase of H Shares by the Trustee and stamp duty and normal registration fee (i.e. not being fee chargeable by the share registrar of any express service of registration) in respect of the transfer of H Shares to Selected Participants on the relevant Vesting Date. For the avoidance of doubt, the Company shall not be liable for any Tax or expenses of such other nature payable on the part of any Eligible Employee in respect of any

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sale, purchase, vesting or transfer of H Shares (or cash amount of equivalent value being paid), other than for any withholding tax liability of the Company or any member of the Group under applicable laws.

- 21.3 Any notice or other communication between the Company and any Eligible Employee may be given by sending the same by prepaid post or by personal delivery to, in the case of the Company, its registered office in Hong Kong or the PRC or such other address as notified to the Eligible Employee from time to time and in the case of an Eligible Employee, his/her address as notified to the Company from time to time or by hand delivery. In addition, any notice (including the Vesting Notice) or other communication from the Company to any Eligible Employee or Selected Participant may be given by any electronic means through the Trustee, as the Board considers appropriate.
- 21.4 Any notice or other communication served by post shall be deemed to have been served 24 hours after the same was put in the post. Any notice or other communication served by electronic means shall be deemed to have been received on the day following that on which it was sent.
- 21.5 The Company shall not be responsible for any failure by any Eligible Employee to obtain any consent or approval required for such Eligible Employee to participate in the Scheme as a Selected Participant or for any Tax, expenses, fees or any other liability to which an Eligible Employee may become subject as a result of participation in the Scheme.
- 21.6 Each and every provision hereof shall be treated as a separate provision and shall be severally enforceable as such in the event of any provision or provisions being or becoming unenforceable in whole or in part. To the extent that any provision or provisions are unenforceable they shall be deemed to be deleted from these Scheme Rules, and any such deletion shall not affect the enforceability of the Scheme Rules as remain not so deleted.
- 21.7 The Scheme is not subject to the provisions of Chapter 17 of the Listing Rules.
- 21.8 Save as specifically provided herein, the Scheme shall not confer on any person any legal or equitable rights (other than those constituting and attaching to the Award Shares themselves) against the Group directly or indirectly or give rise to any cause of action at law or in equity against the Group. No person shall, under any circumstances, hold the Board or the Delegatee and/or the Company liable for any costs, losses, expenses and/or damages whatsoever arising from or in connection with the Scheme or the administration thereof.
- 21.9 In the event that an Award lapses in accordance with the Scheme Rules, no Selected Participants shall be entitled to any compensation for any loss or any right or benefit or prospective right or benefit under the Scheme which he or she might otherwise have enjoyed.
- 21.10 The Scheme shall operate subject to the Articles and to any restrictions under any applicable laws, rules and regulations.

21.11 By participating in the Scheme, the Selected Participant consents to the holding, processing, storage and use of personal data or information concerning him or her by any member of the Group, the Trustee or other third party service provider, in Hong Kong or elsewhere, for the purpose of the administration, management or operation of the Scheme. Such consent permits, but is not limited to, the following:

- (a) the administration and maintenance of records of the Selected Participant;
- (b) the provision of data or information to members of the Group, the Trustee, registrars, brokers or third party administrators or managers of the Scheme, in Hong Kong or elsewhere;
- (c) the provision of data or information to future purchasers or merger partners of the Company, the Selected Participant's employing company, or the business in which the Selected Participant works;
- (d) the transfer of data or information about the Selected Participant to a country or territory outside the Selected Participant's home country which may not provide the same statutory protection for the information as his home country; and
- (e) in the case where an announcement is required to be made or a circular is required to be despatched pursuant to the Listing Rules or other applicable laws, rules and regulations for the purposes of granting an Award, the disclosure of the identity of such Selected Participant, the number of Award Shares and the terms of the Award granted and/or to be granted and all other information as required under the Listing Rules or other applicable laws, rules and regulations.

The Selected Participant is entitled, on payment of a reasonable fee, to a copy of the personal data held about him or her, and if such personal data is inaccurate, the Selected Participant has the right to have it corrected.

22. DISPUTE

22.1 The Board shall determine any question of interpretation and settle any dispute arising under or in connection with this Scheme. In such matters, the Board's decision shall be final.

23. GOVERNING LAW

23.1 The Scheme shall be governed by and construed in accordance with the laws of Hong Kong Special Administrative Region of the PRC.

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Company proposes to amend the Articles of Association as follows:

Original Articles	Amended Articles
Article 6 The registered capital of the Company is RMB2,955,752,122.	Article 6 The registered capital of the Company is RMB 2,955,752,122 <u>2,957,191,839</u>
Article 23 …… The shareholding of the Company is: 2,955,752,122 ordinary shares, including 2,563,580,851 shares held by shareholders of domestically listed domestic shares; 392,171,271 shares held by H-share shareholders.	Article 23 …… The shareholding of the Company is: 2,955,752,122 <u>2,957,191,839</u> ordinary shares, including 2,563,580,851 <u>2,565,020,568</u> shares held by shareholders of domestically listed domestic shares; 392,171,271 shares held by H-share shareholders.

NOTICE OF EGM



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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an extraordinary general meeting (the “EGM”) of WuXi AppTec Co., Ltd.* (無錫藥明康德新藥開發股份有限公司) (the “Company”) will be held at Sheraton Shanghai Waigaoqiao Hotel, 28 Jilong Road, Pilot Free Trade Zone, Shanghai, China on Monday, September 26, 2022 at 2:00 p.m. (or at any adjournment thereof) to consider and, if thought fit, pass the following resolutions. Unless otherwise defined, capitalised terms and used in this notice shall have the same meanings as those defined in the circular of the Company dated August 18, 2022 (the “Circular”).

ORDINARY RESOLUTIONS

1. To consider and approve the proposed adoption of the 2022 H Share Award and Trust Scheme.
2. To consider and approve the proposed grant of Awards to the Connected Selected Participants under the 2022 H Share Award and Trust Scheme.
3. To consider and authorize the Board and/or the Delegatee to handle matters pertaining to the 2022 H Share Award and Trust Scheme with full authority, including:
 - (i) to determine the terms and conditions of the grant of Awards, approve the form and content of the Award Letter, select Eligible Employees to become Selected Participants, and grant Awards to Selected Participants from time to time;
 - (ii) to determine the maximum number of H Shares to be acquired by the Trustee which shall not exceed 10% (including 10%) above the total number of H Shares acquired by the trustee of the 2021 Scheme in accordance with the instructions of the Company for the purpose of satisfying the awards granted thereunder;
 - (iii) to determine the Grant Date and Vesting Date of Award Shares;

NOTICE OF EGM

- (iv) to administer, amend and adjust the 2022 Scheme, including but not limited to adjusting the Scheme Limit, adjusting the number of outstanding Award Shares or accelerate the Vesting Dates of any Awards (if such amendments require the approval of the Shareholders' meeting and/or relevant regulatory authorities pursuant to the relevant laws, regulations or requirements of the relevant regulatory authorities, the Board shall obtain the corresponding authorization for such amendments);
- (v) to decide on the selection, engagement and change of bank(s), accountant(s), lawyer(s), consultant(s) and other professional parties for the purpose of the 2022 Scheme;
- (vi) to sign, execute, amend and terminate all agreements and other relevant documents in connection with the 2022 Scheme, fulfill all relevant procedures in relation to the 2022 Scheme, and adopt other methods to implement the terms of the 2022 Scheme;
- (vii) to determine and adjust the standards and conditions of the vesting of the Awards as well as the Vesting Periods, evaluate and manage the performance indicators, and to determine whether Awards granted to the Selected Participants can be vested, and to delegate such authorization to the Executive Committee;
- (viii) to determine the execution, amendment and termination of the 2022 Scheme, including the forfeiture of Awards and continued vesting of Award Shares upon the changes in circumstances pertaining to the Selected Participants;
- (ix) to construe and interpret the 2022 Scheme Rules and to resolve any issues and disputes arising from or in connection with the 2022 Scheme;
- (x) to exercise any other authorizations in relation to matters necessary to the implementation of the 2022 Scheme granted by the Shareholders' meeting from time to time;

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- (xi) (i) to enter into the Trust Deed on behalf of the Company with the Trustee, pursuant to which the Trustee will provide trust services for the 2022 Scheme; (ii) to enter into the plan management agreement on behalf of the Company with Computershare Hong Kong Investor Services Limited, pursuant to which Computershare Hong Kong Investor Services Limited will provide plan management services in respect of the 2022 Scheme; and (iii) to set up a cash securities account under the name of the Company so as to facilitate the provision of trading services and trading platform for the Selected Participants of the 2022 Scheme by Computershare Hong Kong Investor Services Limited;
- (xii) to, during the validity period of such authorization, delegate its authority to administer the 2022 Scheme to the Executive Committee formed by individuals including, as at the Latest Practicable Date, the Chairman and Chief Executive Officer Dr. Ge Li, the Vice Chairman and Global Chief Investment Officer Mr. Edward Hu, the co-Chief Executive Officer Dr. Steve Qing Yang, the co-Chief Executive Officer Dr. Minzhang Chen, the vice president Dr. Shuhui Chen, the vice president Mr. Zhaohui Zhang, the vice president Dr. Ning Zhao, member of the senior management of the Company Dr. Jingchao Dong and the persons-in-charge of the human resources department, the finance department and the legal department, to individually or collectively handle all matters in relation to the 2022 Scheme, including but not limited to:
- (a) matters in relation to the 2022 Scheme as set out in paragraphs (i) to (xi) above;
- (b) on behalf of the Company, execute all documents in relation to the operations of and other matters of the 2022 Scheme, or providing instructions to the Trustee in relation to its operations, the execution of relevant documents in relation to the setting up of the accounts, operations of the accounts, and the setting up and operations of the cash securities account with Computershare Hong Kong Investor Services Limited under the name of the Company, the release of Award Shares for the purpose of the vesting of the Awards, or the sale of Award Shares on-market at the prevailing market price and pay the proceeds arising from such sale to Selected Participants, or directing and procuring the Trustee to release the Award Shares to the Selected Participants by transferring the Award Shares to the Selected Participants as determined by them from time to time, and confirming, allowing and approving all matters precedent arising from or in relation to the Trust Deed and the plan management agreement; and

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- (c) on behalf of the Company, approve, execute, refine, deliver, negotiate, agree on and agree to all such agreements, contracts, documents, regulations, matters and things (as the case may be) as it deems reasonable, necessary, desirable, appropriate or expedient, in order to implement and/or implement all transactions conducted accordingly, and make any reasonable alterations, amendments, changes, modifications and/or supplements as it deems necessary, desirable, appropriate or expedient. If there is a requirement to affix a company seal on any such agreement, contract or document, it has the right to sign the agreement, contract or document and affix the company seal in accordance with the Articles of Association in that case.

The aforementioned authorization to the Board and/or the Delegatee shall be valid for the Award Period.

SPECIAL RESOLUTIONS

- 4. To consider and approve the proposed change of registered capital of the Company.
- 5. To consider and approve the proposed amendments to the Articles of Association, details of which are set out in the Circular:

“THAT:

- (a) the proposed amendments to the Articles of Association be and are hereby approved and confirmed; and
- (b) the Board be and is hereby authorised to further authorise the chairman of the Board or other persons as further authorized by him to handle relevant filing and registration procedures with competent authorities in relation to the proposed amendments to the Articles of Association.”

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Details of the above resolutions proposed at the EGM are contained in the Circular, which is available on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.wuxiapptec.com.cn).

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

Hong Kong, August 18, 2022

As of the date of this notice, the Board comprises Dr. Ge Li, Mr. Edward Hu, Dr. Steve Qing Yang, Dr. Minzhang Chen, 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, Dr. Hetong Lou, Mr. Xiaotong Zhang and Mr. Dai Feng as independent non-executive Directors.

Notes:

1. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The results of the poll will be published on the websites of the Stock Exchange and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint more than one proxy to attend and on a poll, vote instead of him. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant Form of Proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him.
3. In order to be valid, the Form of Proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company’s H Share Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 24 hours before the time appointed for the meeting or the adjourned meeting (as the case may be) (i.e. not later than 2:00 p.m.) on Sunday, September 25, 2022 (Hong Kong time)). Completion and return of the Form of Proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. For determining the entitlement to attend and vote at the meeting, the Register of Members of the Company will be closed from Wednesday, September 21, 2022 to Monday, September 26, 2022, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the EGM, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s H Share Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Tuesday, September 20, 2022. In order to be eligible to attend and vote at the EGM, the Bondholders shall exercise the conversion rights attaching to the Bonds no later than 3:30 p.m. on Thursday, August 25, 2022.
5. References to time and dates in this notice are to Hong Kong time and dates.

* *For identification purpose only*

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6. In view of the ongoing Novel Coronavirus (COVID-19) pandemic, the Company will implement the following precautionary measures to reduce the risk of contracting and spreading of COVID-19 at the EGM:
 - (a) Attendees who choose to attend physically should, in advance, pay attention to and observe the regulations and requirements of Shanghai during the pandemic control period in relation to, among other things, health conditions declaration, isolation and observation. Attendees should also ensure their body temperatures are normal and they have no symptoms such as respiratory tract discomfort.
 - (b) Compulsory body temperature checks will be conducted for every attendee.
 - (c) Every attendee must wear a surgical face mask and observe other self-protection measures throughout the EGM.
 - (d) Examine the Travel Code and COVID-19 RT-PCR test report of the attendees if needed.
 - (e) Attendees who cannot fulfill the then applicable regulations and requirements in relation to pandemic control will not be able to access the venue of the EGM. They can exercise their right to vote at the EGM by proxy.
7. In addition, the Company encourages the Shareholders to exercise their right to vote at the EGM by appointing the chairman of the EGM as their proxy to vote on the relevant resolutions at the EGM instead of attending the meeting in person, by completing and returning the enclosed form of proxy for use at the EGM in accordance with the instructions printed thereon.
8. Subject to the development of COVID-19 and with reference to the pandemic control measures as applicable from time to time, the Company may implement further changes to the arrangement of the EGM (including but not limited to conducting the EGM via electronic means), and may issue further announcement(s) in this regard as and when appropriate.