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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 FURTHER INCREASE OF REGISTERED CAPITAL OF THE COMPANY;**
- (2) PROPOSED FURTHER AMENDMENTS TO THE ARTICLES OF ASSOCIATION;**
- (3) PROPOSED ADJUSTMENT TO THE ANNUAL ALLOWANCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS;**
- AND**
- (4) CHANGE OF MEMBERS OF BOARD COMMITTEES**

Reference is made to the announcement of WuXi AppTec Co., Ltd.* (無錫藥明康德新藥開發股份有限公司) (the “**Company**”) dated September 25, 2020 (the “**Announcement**”) in relation to the proposed change of registered capital of the Company and the proposed amendments to the articles of association of the Company (the “**Articles of Association**”). The board (the “**Board**”) of directors (the “**Directors**”) of the Company hereby announces that on March 30, 2021, at the thirteenth meeting of the second session of the Board, it has resolved and approved, among other things, (i) the proposed further increase of registered capital of the Company; (ii) the proposed further amendments to the Articles of Association; (iii) the proposed adjustment to the annual allowance of the independent non-executive Directors; and (iv) the change of members of certain committees of the Board.

PROPOSED FURTHER INCREASE OF REGISTERED CAPITAL OF THE COMPANY

In addition to the events as disclosed in the Announcement that led to the change of the registered capital of the Company from RMB2,311,577,143 divided into 2,311,577,143 shares of the Company (the “**Shares**”) to RMB2,442,020,829 divided into 2,442,020,829 Shares (which has been approved by the Board but not by the shareholders of the Company (the “**Shareholders**”) as at the date of this announcement), certain other events as further particularized below took place from the date of the Announcement up to the date of this announcement which led to further changes to the registered capital of the Company:

Due to the departure of 42 incentive participants under the 2018 A Share Incentive Plan and the 2019 A Share Incentive Plan, a total of 336,008 Restricted A Shares were repurchased and cancelled and the relevant procedures were completed on December 17, 2020. Accordingly, the total issued share capital of the Company changed from 2,442,020,829 Shares to 2,441,684,821 Shares, and the registered capital of the Company has changed from RMB2,442,020,829 to RMB2,441,684,821.

On January 27, 2021, the Company received RMB4,541,320 from an incentive participant of the 2018 A Share Incentive Plan to subscribed for 98,000 A Shares pursuant to his share options the conditions for the first exercisable period of which have been fulfilled. After the completion of the registration of the 98,000 shares issued pursuant to the exercise of such share options, the total issued share capital of the Company was changed to 2,448,531,419 Shares, and the registered capital of the Company has changed to RMB2,448,531,419.

On January 22, 2021, Mr. Ellis Bih-Hsin CHU (朱璧辛) approved in writing the conversion of the US\$300 million zero coupon convertible bonds due 2024 issued by the Company (the “**Bonds**”) into H Shares by the relevant bondholders, namely Jefferies International Limited and Goldman Sachs International; on February 2, 2021, February 8, 2021, February 9, 2021, February 19, 2021, February 25, 2021, March 2, 2021, March 8, 2021 and March 11, 2021, respectively, Mr. Edward Hu approved in writing the conversion of the Bonds into H Shares by the relevant bondholders, namely, Credit Suisse Hong Kong Limited, JP Morgan Securities LLC, Goldman Sachs International, Bank of America Merrill Lynch, Morgan Stanley and Co International PLC, Nomura International PLC, Jefferies International Limited, Credit Suisse Securities (Europe) Ltd-Prime Brokerage. The date of allotment of the converted H Shares were January 28, 2021, February 8, 2021, February 18, 2021, February 26, 2021, March 4, 2021, March 9, 2021, March 15, 2021 and March 17, 2021, respectively. Accordingly, the total issued share capital of the Company changed to 2,450,515,720 Shares, and the registered capital of the Company has changed to RMB2,450,515,720.

As a result of the above changes in the registered capital of the Company, the Board proposed to further change the Company’s registered capital from RMB2,442,020,829 divided into 2,442,020,829 Shares to RMB2,450,515,720 divided into 2,450,515,720 Shares.

The proposed further change of registered capital of the Company, together with the proposed change of registered capital of the Company as disclosed in the Announcement, shall be subject to the approval by way of special resolution of the Shareholders at the annual general meeting of the Company to be convened in due course (the “**AGM**”).

PROPOSED FURTHER AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In addition to the proposed amendments to the Articles of Association as disclosed in the Announcement (which has been approved by the Board but not by the Shareholders as at the date of this announcement) and in light of the proposed further change in the registered capital of the Company, the Guidelines on the Fulfillment of Duties by Independent Directors of Listed Companies which was amended in July 2020, and the actual conditions as to the fulfillment of duties by the independent non-executive Directors, the Board proposed to make further relevant amendments to the Articles of Association as follows:

Original Articles ^(Note)	Amended Articles
Article 6 The registered capital of the Company is RMB2,442,020,829.	Article 6 The registered capital of the Company is RMB 2,442,020,829 <u>2,450,515,720</u> .
Article 23..... The shareholding of the Company is: 2,442,020,829 ordinary shares, including 2,135,096,445 shares held by shareholders of domestically listed domestic shares; 306,924,384 shares held by H-share shareholders.	Article 23..... The shareholding of the Company is: 2,442,020,829 <u>2,450,515,720</u> ordinary shares, including 2,135,096,445 <u>2,134,858,437</u> shares held by shareholders of domestically listed domestic shares; 306,924,384 <u>315,657,283</u> shares held by H-share shareholders.

Article 151 If any independent director resigns so that the number of independent directors or the membership of the Board falls short of the minimum number specified in the Articles of Association or the quorum, such resignation shall not become effective until the vacancy is filled up by a succeeding director. If the independent directors of the Company at any time do not meet the requirements for the number of people, qualification or independence specified in Hong Kong Listing Rules, the Company must inform HKEX immediately, and explain the details and reason by means of announcement, and shall, within three months after non-compliance with the relevant provisions, appoint enough independent directors to meet the requirements of Hong Kong Listing Rules.

Article 152 An independent director shall work for the Company for at least 15 workdays every year, including attending general meetings, Board meetings and meetings of special committees, examination of the establishment and implementation of systems for production and operation, management and internal control and execution of Board resolutions, discussion with the management on operation and on-site study of material investments, production and construction projects, and shall work in the office of the Company for at least 10 workdays every year.

Article 151 If any independent director resigns so that the number of independent directors or the membership of the Board falls short of the minimum number specified in the Articles of Association or the quorum, such resignation shall not become effective until the vacancy is filled up by a succeeding director (except where the independent director resigns due to loss of independence and is legally dismissed). If the independent directors of the Company at any time do not meet the requirements for the number of people, qualification or independence specified in Hong Kong Listing Rules, the Company must inform HKEX immediately, and explain the details and reason by means of announcement, and shall, within three months after non-compliance with the relevant provisions, appoint enough independent directors to meet the requirements of Hong Kong Listing Rules.

Article 152 An independent director shall work for the Company for at least 15 workdays every year, including attending general meetings, Board meetings and meetings of special committees, examination of the establishment and implementation of systems for production and operation, management and internal control and execution of Board resolutions, discussion with the management on operation and on-site study of material investments, production and construction projects, ~~and shall work in the office of the Company for at least 10 workdays every year.~~

Article 153 An independent director shall have the following special powers in addition to the powers stipulated by the Articles of Association:

- (I) significant connected transaction (identified according to the standard required by the stock exchange in the place where the stocks of the Company are listed, the same below) shall first be approved by independent directors and then discussed by the Board; before making a judgment, the independent directors may appoint an intermediary qualified for conducting securities and futures businesses to provide independent financial and advisory reports as a basis for their judgment;
- (II) to propose to appoint or dismiss the accounting firm and to give prior approval for appointment or dismissal of the accounting firm by the Company;

Article 153 An independent director shall have the following special powers in addition to the powers stipulated by the Articles of Association:

- (I) significant connected transaction (identified according to the standard required by the stock exchange in the place where the stocks of the Company are listed, the same below) shall first be approved by independent directors and then discussed by the Board; before making a judgment, the independent directors may appoint an intermediary qualified for conducting securities and futures businesses to provide independent financial and advisory reports as a basis for their judgment;
- (II) to propose to appoint or dismiss the accounting firm and to give prior approval for appointment or dismissal of the accounting firm by the Company;

(III) to propose to convene an extraordinary general meeting;

(IV) to propose to convene a Board meeting;

(V) to openly collect voting rights from shareholders before a general meeting is held;

(VI) to independently appoint an external auditing organ and advisory organ to audit and advise on specific matters of the Company if necessary;

(VII) to enjoy other rights stipulated by laws, administrative regulations, departmental rules, regulatory documents, the listing rules of the stock exchange in the place where the stocks of the Company are listed and the Articles of Association.

Independent directors shall seek the consent of more than half of all the independent directors before exercising the powers under (I)–(V) above and shall seek the consent of all the independent directors before exercising the powers under (VI) above. The reasonable expenses incurred from engaging intermediaries or professionals or other reasonable expenses required for duty performance by independent directors shall be borne by the Company.

(III) to propose to convene an extraordinary general meeting;

(IV) to propose to convene a Board meeting;

(V) to openly collect voting rights from shareholders before a general meeting is held;

(VI) to independently appoint an ~~external auditing intermediary organ to express professional opinions and advisory organ to audit and advise on specific matters of the Company~~ if necessary;

(VII) to enjoy other rights stipulated by laws, administrative regulations, departmental rules, regulatory documents, self-regulatory rules, the listing rules of the stock exchange in the place where the stocks of the Company are listed and the Articles of Association.

Independent directors shall seek the consent of more than half of all the independent directors before exercising the powers under (I)–(~~V~~VII) above ~~and shall seek the consent of all the independent directors before exercising the powers under (VI) above~~ except for the powers exercisable solely by an independent director in accordance with relevant regulations. The reasonable expenses incurred from engaging intermediaries or professionals or other reasonable expenses required for duty performance by independent directors shall be borne by the Company.

Article 154 Independent directors shall give objective, fair and independent opinions on the matters discussed by the general meeting or the Board of the Company. Especially, they shall give opinions to the general meeting or the Board in relation to the following matters:

.....

- (VIII) workout of plan for conversion of capital reserve into share capital;
- (IX) changes in accounting policies and accounting estimates or correction of significant accounting errors resulting from reasons other than changes in accounting standards;
- (X) production of nonstandard unqualified audit opinions by certified public accountants on the financial reports of the Company;
- (XI) appointment and dismissal of the accounting firm;
- (XII) acquisition by the Company's management;
- (XIII) material asset restructuring of the Company;
- (XIV) share repurchase by the Company by means of centralized bidding;

Article 154 Independent directors shall give objective, fair and independent opinions on the matters discussed by the general meeting or the Board of the Company. Especially, they shall give opinions to the general meeting or the Board in relation to the following matters:

.....

- (VIII) over-raised funds used to permanently supplement working capital and repay bank loans;
- (~~VIII~~X) workout of plan for conversion of capital reserve into share capital;
- (~~IX~~X) changes in accounting policies and accounting estimates or correction of significant accounting errors resulting from reasons other than changes in accounting standards;
- (~~X~~XI) production of nonstandard unqualified audit opinions by certified public accountants on the financial reports of the Company;
- (~~XI~~XII) appointment and dismissal of the accounting firm;
- (~~XII~~XIII) acquisition by the Company's management;
- (~~XIII~~XIV) material asset restructuring of the Company;
- (~~XIV~~XV) share repurchase by the Company by means of centralized bidding;

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| <p>(XV) internal control evaluation report of the Company;</p> <p>(XVI) plan for change of undertakings made by the Company to related parties;</p> <p>(XVII) existing or new loan transactions involving a total amount of more than RMB3,000,000 or more than 5% of the latest audited net assets of the Company between the Company's shareholders, de facto controllers and connected enterprises thereof and the Company or other financial transactions, and whether the Company has taken effective measures to collect outstanding receivables;</p> <p>(XVIII) other matters which independent directors deem likely to damage the rights and interests of the Company, creditors and minor shareholders;</p> <p>(XIX) other matters stipulated by laws, administrative regulations, departmental rules, regulatory documents, the listing rules of the stock exchange in the place where the stocks of the Company are listed and the Articles of Association or ascertained by the securities regulatory authority of the State Council.</p> | <p>(XV) internal control evaluation report of the Company;</p> <p>(XVI) plan for change of undertakings made by the Company to related parties;</p> <p>(XVII) <u>the impact of the issuance of the Company's preferred shares on rights attaching to the class shareholders;</u></p> <p>(XIX) existing or new loan transactions involving a total amount of more than RMB3,000,000 or more than 5% of the latest audited net assets of the Company between the Company's shareholders, de facto controllers and connected enterprises thereof and the Company or other financial transactions, and whether the Company has taken effective measures to collect outstanding receivables;</p> <p>(XVIII) <u>voluntary delisting of the Company;</u></p> <p>(XXI) other matters which independent directors deem likely to damage the rights and interests of the Company, creditors and minor shareholders;</p> <p>(XIX) other matters stipulated by laws, administrative regulations, departmental rules, regulatory documents, <u>self-regulatory rules</u>, the listing rules of the stock exchange in the place where the stocks of the Company are listed and the Articles of Association or ascertained by the securities regulatory authority of the State Council.</p> |
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Before the independent directors express their independent opinions on matters relating to the Company's voluntary delisting, they should fully consult the medium and minority shareholders on whether the matter is beneficial to the Company's long-term development and the interests of the shareholders as a whole. The independent directors' opinions formed on this basis should be announced together with the notice of the shareholders' meeting.

Note:

For the avoidance of doubt, the provisions of Articles 6 and 23 of the Articles of Association as set out in the column headed "Original Articles" have reflected the proposed amendments to the Articles of Association as disclosed in the Announcement which has been approved by the Board.

Save for the proposed amendments, other articles of the Articles of Association shall remain unchanged. The proposed amendments to the Articles of Association were prepared in the Chinese language. In the event of any discrepancy between the English translation and the Chinese version, the Chinese version shall prevail.

The proposed further amendments to the Articles of Association, together with the proposed amendments to the Articles of Association as disclosed in the Announcement, shall be subject to the approval by way of special resolution of the Shareholders at the AGM, and all the necessary approval, authorization, filing and/or registration from the relevant governmental or regulatory authorities of the PRC.

PROPOSED ADJUSTMENT TO THE ANNUAL ALLOWANCE OF INDEPENDENT-NON EXECUTIVE DIRECTORS

As the independent non-executive Directors have proactively, diligently and responsibly performed their duties during their past tenures of service, provided constructive guiding opinion for the standardized operations and strategic development of the Company, and made significant contribution, having taken into account the level of allowance in the industry, regional economic development, together with the actual operational circumstances of the Company, the profits of the Company and the workload and professionalism of the independent non-executive Directors, the Board proposed to, upon the recommendation of the Remuneration and Appraisal Committee of the Company, adjust the annual allowance of independent non-executive Directors.

At present, the annual allowance for independent non-executive Directors is RMB300,000 (before tax). In light of the above, the Board proposed to increase the annual allowance of the independent non-executive Directors to RMB400,000 (before tax). If such independent non-executive Director worked less than one year, his or her remuneration shall be calculated on a pro-rata and daily basis. The Company shall reimburse the independent non-executive Directors all necessary and actual expenses in relation to the participation of Board meeting, the general meeting of shareholders and the exercise of their functions and powers in accordance with the relevant provisions of the Company Law of the People's Republic of China and the Articles of Association. The Remuneration and Appraisal Committee of the Company is further authorized to organize assessment and decide on remuneration issues.

The proposed adjustment to the annual allowance of independent non-executive Directors shall be subject to the approval by way of ordinary resolution of the Shareholders at the AGM.

CHANGE OF MEMBERS OF BOARD COMMITTEES

Audit Committee

In order to (i) refine the composition of the Audit Committee of the Company (the “**Audit Committee**”); (ii) fully utilize the professional financial, industry and legal experience of the members of the Audit Committee; and (iii) improve the communication and assessment of the internal and external audit of the Company by the members of the Audit Committee, their disclosure and review of financial information, and the effectiveness and professionalism in aspects such as the supervision over material decision making and inspection work, the Board has approved the following changes to the composition of the Audit Committee:

- (i) Dr. Jiangnan Cai, an independent non-executive Director who has been involved in health economics and policies education, research and consultation for many years, with significant industry experience and research results in the healthcare industry, has been appointed as a member of the Audit Committee for a term commencing on March 30, 2021 and ending on the expiration of the term of the second session of the Board; and
- (ii) Ms. Yan Liu, an independent non-executive Director, has ceased to be a member of the Audit Committee with effect from March 30, 2021.

Remuneration and Appraisal Committee

In order to (i) enhance the independence and scientific basis in the determination of remuneration plan for senior management by the Remuneration and Appraisal Committee of the Company (the “**Remuneration and Appraisal Committee**”); and (ii) avoid potential conflicts of interest, the Board has approved the following changes to the composition of the Remuneration and Appraisal Committee such that all members of the Remuneration and Appraisal Committee will be composed of independent non-executive Directors:

- (i) Mr. Dai Feng, an independent non-executive Director, has been appointed as a member of the Remuneration and Appraisal Committee for a term commencing on March 30, 2021 and ending on the expiration of the term of the second session of the Board; and
- (ii) Dr. Ning Zhao, an executive Director, has ceased to be a member of the Remuneration and Appraisal Committee for a term commencing on March 30, 2021.

GENERAL

A circular containing, among other things, further details of the (i) the proposed further increase of registered capital of the Company; (ii) the proposed further amendments to the Articles of Association; (iii) the proposed adjustment to the annual allowance of the independent non-executive Directors; and (iv) a notice convening the AGM will be despatched by the Company to the Shareholders in due course.

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

Hong Kong, March 30, 2021

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

* *For identification purposes only*