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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 or 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) WORK REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2019;
- (2) WORK REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2019;
 - (3) ANNUAL REPORT FOR THE YEAR 2019;
 - (4) FINANCIAL REPORT FOR THE YEAR 2019;
 - (5) PROPOSED 2019 PROFIT DISTRIBUTION PLAN;
 - (6) PROPOSED RE-ELECTION OF DIRECTORS;
 - (7) PROPOSED ELECTION OF EXECUTIVE DIRECTOR;
- (8) PROPOSED RE-ELECTION OF SHAREHOLDER REPRESENTATIVE SUPERVISORS;
 - (9) PROPOSED DIRECTORS' REMUNERATION;
 - (10) PROPOSED SUPERVISORS' REMUNERATION;
- (11) PROPOSED PROVISION OF EXTERNAL GUARANTEES FOR SUBSIDIARIES;
 - (12) PROPOSED RE-APPOINTMENT OF AUDITORS FOR THE YEAR 2020;
- (13) PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE A SHARES AND/OR H SHARES;
- (14) PROPOSED GRANTING OF REPURCHASE MANDATE TO REPURCHASE A SHARES AND/OR H SHARES;
 - (15) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
- (16) PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE FOR SHAREHOLDERS' MEETINGS;
- (17) PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE FOR BOARD MEETINGS;
 - (18) PROPOSED INCREASE OF REGISTERED CAPITAL;
 - (19) PROPOSED FOREIGN EXCHANGE HEDGING LIMIT;
- (20) PROPOSED ISSUANCE OF H SHARES UNDER SPECIFIC MANDATE AND CONSEQUENTIAL AMENDMENTS TO ARTICLES OF ASSOCIATION;
- (21) COMPLIANCE WITH CONDITIONS FOR THE PROPOSED NON-PUBLIC ISSUANCE OF A SHARES;
 - (22) PROPOSED NON-PUBLIC ISSUANCE OF A SHARES UNDER GENERAL MANDATE;
 - (23) FEASIBILITY REPORT;
- (24) REPORT ON THE USE OF PROCEEDS FROM PREVIOUS FUND RAISING;
- (25) REMEDIAL MEASURES REGARDING DILUTION ON RETURNS FOR THE CURRENT PERIOD DUE TO THE PROPOSED NON-PUBLIC ISSUANCE OF A SHARES;
- (26) SHAREHOLDERS' DIVIDEND AND RETURN PLAN (2020-2022);
- (27) AUTHORIZATION TO THE PROPOSED NON-PUBLIC ISSUANCE OF A SHARES; AND
- (28) NOTICE OF ANNUAL GENERAL MEETING OF 2019 AND THE FIRST H SHARE CLASS MEETING OF 2020

Placing Agents

Morgan Stanley



The notice convening the AGM and the notice convening the H Share Class Meeting to be held at Sheraton Shanghai Waigaoqiao Hotel, 28 Jilong Road, Pilot Free Trade Zone, Shanghai, China on Friday, May 15, 2020 at 2:00 p.m. are set out in this circular.

For H Shareholders, if you intend to attend the AGM and/or the H Share Class Meeting, please complete and return the enclosed reply slip in accordance with the instructions printed thereon as soon as possible and in any event on or before Friday, April 24, 2020.

Whether or not you are able to attend the AGM and/or the H Share Class Meeting, please complete and sign the enclosed form of proxy for use at the AGM and/or the H Share Class Meeting in accordance with the instructions printed thereon and return it to the H Share Registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 24 hours before the time appointed for the AGM and/or the H Share Class Meeting (i.e. not later than 2:00 p.m. on Thursday, May 14, 2020 (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 AGM and/or the H Share Class Meeting if they so wish.

This circular together with the form of proxy are also published on the websites of the Hong Kong 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.

* For identification purposes only

March 31, 2020

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EXPECTED TIMETABLE

The expected timetable for the Capitalization of Reserve and Profit Distribution, which are subject to Shareholders' approval of the 2019 Profit Distribution Plan at the AGM, the A Share Class Meeting and the H Share Class Meeting, as set forth below is indicative only and has been prepared on the assumption that all conditions of the Capitalization of Reserve and Profit Distribution will be fulfilled. Any consequential changes to the expected timetable will be announced in a separate announcement by the Company as and when appropriate.

Last day of dealings in H Shares on a cum-entitlement basis Monday, May 25, 2020

First day of dealings in H Shares on an ex-entitlement basis Tuesday, May 26, 2020

Latest time for lodging transfer documents of
H Shares for entitlement to the Capitalization of
Reserve and Profit Distribution 4:30 p.m., Wednesday, May 27, 2020

Book closure period for determining H Shareholders' entitlement
to the Capitalization of Reserve and Profit Distribution^(Note 2) Thursday, May 28, 2020 to
Wednesday, June 3, 2020^(Note 3)

Record date for determining H Shareholders' entitlement to the
Capitalization of Reserve and Profit Distribution Wednesday, June 3, 2020

Register of H Shareholders of the Company reopens Thursday, June 4, 2020

Notes:

1. The Company will issue a separate announcement regarding the date of despatch of the certificates for the New H Shares and the cheques for the Profit Distribution, and the date of the commencement of dealings in the New H Shares.
2. If there is a tropical cyclone warning signal number 8 or above, or a black rainstorm warning:
 - (a) in force in Hong Kong at any local time before 12:00 noon but no longer in force after 12:00 noon, the latest time for lodging transfer documents will remain at 4:30 p.m. on the same Business Day;
 - (b) in force in Hong Kong at any local time between 12:00 noon and 4:30 p.m., the latest time for lodging transfer documents will be rescheduled to 4:30 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:30 p.m..
3. Both days inclusive.

DEFINITIONS

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

“2018 A Share Incentive Plan”	the share incentive scheme adopted by the Company on August 22, 2018, the principal terms of which are summarized in the Prospectus in “Appendix VI — Statutory and General Information — 2. Further Information about our Business — B. Share Incentive Schemes — (A) 2018 WuXi AppTec A Share Incentive Scheme
“2019 A Share Incentive Plan”	2019 Restricted A Shares and Stock Option Incentive Plan of the Company adopted on September 22, 2019, the details of which are disclosed in the circular of the Company dated August 5, 2019
“2019 Profit Distribution Plan”	the profit distribution plan of the Company for the year ended December 31, 2019 which comprises the Capitalization of Reserve and Profit Distribution
“A Shareholder(s)”	the holder(s) of A Shares
“A Share(s)”	ordinary share(s) of the Company with nominal value of RMB1.00 each listed on the Shanghai Stock Exchange
“A Share Class Meeting”	the first A Share class meeting of the Company to be held on Friday, May 15, 2020
“AGM”	the annual general meeting of the Company to be held at Sheraton Shanghai Waigaoqiao Hotel, 28 Jilong Road, Pilot Free Trade Zone, Shanghai, China on Friday, May 15, 2020 at 2:00 p.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which are set out on pages 193 to 202 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company currently in force
“Board” or “Board of Directors”	the board of Directors of the Company

DEFINITIONS

“Capitalization of Reserve”	the proposed issue of 4 Capitalization Shares for every 10 Shares by way of capitalization of reserve
“Capitalization Shares”	the new Shares to be allotted and issued under the Capitalization of Reserve by the Company
“CCASS”	Central Clearing and Settlement System
“Changshu R&D Integrated Project”	Changshu WuXi AppTec new drug production and research and development integrated project (Phase I) (常熟藥明康德新藥生產和研發一體化項目(一期))
“Class Meetings”	the A Share Class Meeting and H Share Class Meeting
“Company”	WuXi AppTec Co., Ltd.* (無錫藥明康德新藥開發股份有限公司), a joint stock limited company incorporated under the laws of the PRC
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“Founding Individuals”	Dr. Ge Li, Mr. Xiaozhong Liu, Mr. Zhaohui Zhang and Dr. Ning Zhao
“H Shareholder(s)”	the holder(s) of H Shares
“H Share(s)”	overseas-listed foreign share(s) in the share capital of the Company, with nominal value of RMB1.00 each, listed on the Main Board of the Hong Kong Stock Exchange
“H Share Class Meeting”	the first H Share class meeting of the Company of 2020 to be held on Friday, May 15, 2020 after the conclusion of the AGM and the A Share Class Meeting to consider and, if appropriate, to approve the resolutions contained in the notice of meeting which are set out on pages 203 to 207 of this circular, or any adjournment thereof

DEFINITIONS

“H Share Registrar”	Tricor Investor Services Limited, the H Share registrar of the Company
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$” or “Hong Kong Dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“General Mandate”	an unconditional and general mandate proposed to be granted to the Directors to allot, issue or deal with additional A Shares and/or H Shares of not exceeding 20% of the total number of issued A Shares and/or H Shares as at the date of passing of the proposed special resolution contained in item 21 of the notice of the AGM
“Latest Practicable Date”	Tuesday, March 24, 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing”	the listing of the H Shares on the Main Board of the Hong Kong Stock Exchange
“Listing Committee”	the listing committee of the Hong Kong Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time
“New H Shares”	the new H Shares to be issued upon the exercise of the Specific Mandate, the maximum number of which is (i) 68,205,400 New H Shares; or (ii) 95,487,500 New H Shares, representing 40% of the total issued H Shares of the Company if the 2019 Profit Distribution Plan is approved at the AGM and Class Meetings and the Capitalization of Reserve is completed as at the date of the completion of the Proposed Issuance of H Shares

DEFINITIONS

“New Capitalization A Shares”	the new A Shares to be allotted and issued under the Capitalization of Reserve
“New Capitalization H Shares”	the new H Shares to be allotted and issued under the Capitalization of Reserve
“PRC”	the People’s Republic of China which, for the purpose of this circular, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Prospectus”	the prospectus of the Company dated December 3, 2018
“Profit Distribution”	the proposed distribution of cash dividend of RMB3.37 for every 10 Shares (inclusive of tax)
“Proposed Issuance of H Shares”	the proposed issuance of the New H Shares under Specific Mandate by the Company to specific places
“Proposed Non-public Issuance of A Shares”	the proposed non-public issuance of not more than 75,000,000 A Shares by the Company to specific subscribers
“Restricted A Share(s)”	the restricted A Shares granted by the Company under the 2018 A Share Incentive Plan and the 2019 A Share Incentive Plan
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Shanghai Listing Rules”	the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange
“Shanghai Stock Exchange”	Shanghai Stock Exchange (上海證券交易所)
“Share(s)”	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)

DEFINITIONS

“Specific Mandate”	the specific mandate proposed to be granted to the Board by the Shareholders at the AGM and the Class Meetings in relation to the Proposed Issuance of H Shares
“STA”	Shanghai SynTheAll Pharmaceutical Co., Ltd. (上海合全藥業股份有限公司), a majority-owned subsidiary of the Company
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors to repurchase A Shares and/or H Shares on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, respectively, of not exceeding 10% of the total number of issued A Shares and/or H Shares of the Company as at the date of passing of the proposed special resolution contained in item 22 of the notice of the AGM and item 2 of the notice of the H Share Class Meeting
“Shareholder(s)”	holder(s) of Share(s)
“Supervisor(s)”	member(s) of the Supervisory Committee
“Supervisory Committee”	the supervisory committee of the Company
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs approved by the Securities and Futures Commission as amended from time to time

In this circular, unless the context otherwise requires, any reference to the singular includes the plural and vice versa and any reference to a gender includes a reference to the other gender and the neuter.

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)
Mr. Edward Hu
Mr. Xiaozhong Liu
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
Mr. Dai Feng
Dr. Hetong Lou
Mr. Xiaotong Zhang

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:
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

March 31, 2020

To the Shareholders

Dear Sir/Madam,

- (1) WORK REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2019;
- (2) WORK REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2019;
 - (3) ANNUAL REPORT FOR THE YEAR 2019;
 - (4) FINANCIAL REPORT FOR THE YEAR 2019;
 - (5) PROPOSED 2019 PROFIT DISTRIBUTION PLAN;
 - (6) PROPOSED RE-ELECTION OF DIRECTORS;
 - (7) PROPOSED ELECTION OF EXECUTIVE DIRECTOR;
- (8) PROPOSED RE-ELECTION OF SHAREHOLDER REPRESENTATIVE SUPERVISORS;
 - (9) PROPOSED DIRECTORS' REMUNERATION;
 - (10) PROPOSED SUPERVISORS' REMUNERATION;
- (11) PROPOSED PROVISION OF EXTERNAL GUARANTEES FOR SUBSIDIARIES;
 - (12) PROPOSED RE-APPOINTMENT OF AUDITORS FOR THE YEAR 2020;
- (13) PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE A SHARES AND/OR H SHARES;
- (14) PROPOSED GRANTING OF REPURCHASE MANDATE TO REPURCHASE A SHARES AND/OR H SHARES;
 - (15) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
- (16) PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE FOR SHAREHOLDERS' MEETINGS;
 - (17) PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE FOR BOARD MEETINGS;
 - (18) PROPOSED INCREASE OF REGISTERED CAPITAL;
 - (19) PROPOSED FOREIGN EXCHANGE HEDGING LIMIT;
- (20) PROPOSED ISSUANCE OF H SHARES UNDER SPECIFIC MANDATE AND CONSEQUENTIAL AMENDMENTS TO ARTICLES OF ASSOCIATION;
- (21) COMPLIANCE WITH CONDITIONS FOR THE PROPOSED NON-PUBLIC ISSUANCE OF A SHARES;
 - (22) PROPOSED NON-PUBLIC ISSUANCE OF A SHARES UNDER GENERAL MANDATE;
 - (23) FEASIBILITY REPORT;
 - (24) REPORT ON THE USE OF PROCEEDS FROM PREVIOUS FUND RAISING;
 - (25) REMEDIAL MEASURES REGARDING DILUTION ON RETURNS FOR THE CURRENT PERIOD DUE TO THE PROPOSED NON-PUBLIC ISSUANCE OF A SHARES;
 - (26) SHAREHOLDERS' DIVIDEND AND RETURN PLAN (2020-2022);
- (27) AUTHORIZATION TO THE PROPOSED NON-PUBLIC ISSUANCE OF A SHARES; AND
 - (28) NOTICE OF ANNUAL GENERAL MEETING OF 2019 AND THE FIRST H SHARE CLASS MEETING OF 2020

LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this circular is to provide the H Shareholders with information in respect of certain resolutions to be proposed at the AGM and the H Share Class Meeting to be held on Friday, May 15, 2020, and to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the AGM and the H Share Class Meeting. For the details of the proposed resolutions at the AGM and the H Share Class Meeting, please also refer to the notices of the AGM and the H Share Class Meeting enclosed with this circular.

2. WORK REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2019

An ordinary resolution will be proposed at the AGM to consider and approve the work report of the Board for the year 2019, the text of which is set out in Appendix I to this circular.

3. WORK REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2019

An ordinary resolution will be proposed at the AGM to consider and approve the work report of the Supervisory Committee for the year 2019, the text of which is set out in Appendix II to this circular.

4. ANNUAL REPORT FOR THE YEAR 2019

An ordinary resolution will be proposed at the AGM to consider and approve the annual report, annual report summary and annual results announcements for the year 2019 which are or will be published on the websites of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and Shanghai Stock Exchange (<http://www.sse.com.cn>).

5. FINANCIAL REPORT FOR THE YEAR 2019

An ordinary resolution will be proposed at the AGM to consider and approve the Company's audited financial report for the year 2019 (the "**Financial Report 2019**"), the text of which is set out in Appendix III to this circular.

LETTER FROM THE BOARD

6. PROPOSED 2019 PROFIT DISTRIBUTION PLAN

Special resolutions will be proposed at the AGM, the A Share Class Meeting and the H Share Class Meeting to consider and approve the proposed 2019 Profit Distribution Plan.

The Board proposed the issue of the Capitalization Shares on the basis of 4 Capitalization Shares for every existing 10 Shares by way of capitalization of reserve, representing a total increase of 660,450,612 Shares comprising 68,205,424 New Capitalization H Shares and 592,245,188 New Capitalization A Shares based on the Company's total share capital of 1,651,126,531 Shares (comprising 170,513,560 H Shares and 1,480,612,971 A Shares) as at the Latest Practicable Date, subject to any change of number of Shares until the record date for determining Shareholders' entitlement to the Capitalization of Reserve. The New Capitalization H Shares will be issued on a pro-rated basis and any fractional Shares (if any) will be rounded down to the nearest whole unit. No fractional Shares will be issued and distributed pursuant to the Capitalization of Reserve, but will be aggregated and sold for the benefit of the Company. Based on the current total share capital of 1,651,126,531 Shares, upon the completion of the Capitalization of Reserve, the total share capital of the Company will be approximately 2,311,577,143 Shares, provided that the actual number of Shares shall be subject to the disclosure in an announcement to be separately issued upon the completion of the statutory procedures by the Company.

The Board also proposed to make cash dividend of RMB3.37 (inclusive of tax) for every 10 Shares (representing an aggregate amount of RMB556,429,640.95 (inclusive of tax) based on the total issued Shares of the Company as of the Latest Practicable Date). The cash dividend will also be paid on a pro-rated basis for Shareholders who hold Shares in odd lot (i.e. RMB0.337 per ordinary Share). The exchange rate to be used to convert the cash dividend from RMB to HK\$ will be the average of the medium rate of RMB to HK\$ announced by the People's Bank of China for five working days (the "**Medium Rate**") prior to and including May 15, 2020, the date on which the Profit Distribution to be declared at the AGM and Class Meetings. For illustration purpose, the Medium Rate at the Latest Practicable Date is RMB0.91556 to HK\$1. Hence, H Shareholders will receive HK\$3.6808 for every 10 H Shares held by them.

The Capitalization of Reserve is subject to the following conditions:

- (i) approval of the Shareholders by way of special resolutions at the AGM, H Share Class Meeting and A Share Class Meeting to be held on May 15, 2020;
- (ii) the Hong Kong Stock Exchange granting the listing of, and permission to deal in, the New Capitalization H Shares; and

LETTER FROM THE BOARD

- (iii) compliance with the relevant legal procedures and requirements under the Company Law of the PRC to effect the Capitalization of Reserve.

Subject to the arrangements under the Northbound Trading or Southbound Trading (defined below) as disclosed in details below, the Profit Distribution will be declared according to the Articles of Association. Dividend on A Shares will be paid in Renminbi and dividend on H Shares will be paid in Hong Kong dollars.

Status of Capitalization Shares

The Capitalization Shares will, subject to the Articles of Association, rank *pari passu* in all respects with the Shares in issue on the date of the issue of the Capitalization Shares. Holders of the Capitalization Shares will be entitled to receive all future dividends and distributions (if any) which are declared, made or paid after the date on which the Capitalization Shares are allotted and issued. The Capitalization of Reserve should not result in any change to the rights of the Shares. For the avoidance of doubt, the holder of the Capitalization Shares will not be entitled to the cash dividend under the proposed 2019 Profit Distribution Plan.

Overseas H Shareholders

As at the Latest Practicable Date, according to the latest register of members available to the Company, none of the H Shareholders as recorded on the register of members of the Company had an address which is outside Hong Kong.

Upon the proposed 2019 Profit Distribution Plan becoming unconditional, the Company will consider if there are any overseas H Shareholders located in other jurisdictions, and if there are such overseas H Shareholders, then the Company will make enquiry regarding the legal restrictions (if any) under the laws of the relevant places and the requirements of the relevant regulatory bodies for the relevant overseas H Shareholders to be eligible to take part in the Capitalization of Reserve and Profit Distribution pursuant to the Listing Rules.

LETTER FROM THE BOARD

Effect to the Shareholding upon Completion of the Capitalization of Reserve

Set out below is the shareholding structure of the Company as at the Latest Practicable Date and immediately upon completion of allotment and issue of Capitalization Shares (assuming that no other Shares are allotted or issued and no existing Shares are repurchased or cancelled prior to the record dates in respect of holders of H Shares and A Shares by reference to their entitlements to the Capitalization of Reserve and the Profit Distribution, upon satisfaction of the conditions set out above):

	As at the Latest Practicable Date		Immediately upon completion of the Capitalization of Reserve	
	Number of Shares	Approximate percentage of total issued Shares	Number of Shares	Approximate percentage of total issued Shares
H Shares	170,513,560	10.33	238,718,984	10.33
A Shares	1,480,612,971	89.67	2,072,858,159	89.67
Total	1,651,126,531	100.00%	2,311,577,143	100.00%

Tax Arrangements in respect of the Capitalization of Reserve and the Profit Distribution

In accordance with the Regulation on the Implementation of the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法實施條例》) which came into effect on January 1, 2008 and last amend on April 23, 2019 and the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) which was last amended and came into effect on December 29, 2018, and the "Notice on Issues in Relation to the Withholding of Enterprise Income Tax on Dividends Paid by PRC Enterprises to Overseas Non-resident Enterprise Holders of H Shares" (Guo Shui Han [2008] No. 897) 《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號)) promulgated on November 6, 2008, the Company is obliged to withhold and pay PRC enterprise income tax on behalf of non-resident enterprise Shareholders at a tax rate of 10%, when the Company distributes annual dividend to non-resident enterprise Shareholders whose names appear on the H Shares register of members. As such, any H Shares registered in the name of non-individual Shareholder, including shares registered in the name of HKSCC Nominees Limited, and other nominees, trustees, or other organizations and groups, shall be deemed to be H Shares held by non-resident enterprise Shareholder(s), and the PRC enterprise income tax shall be withheld from any dividends payable thereon. Non-resident enterprise Shareholders may wish to apply for a tax refund (if any) in accordance with the relevant requirements, such as tax agreements (arrangements), upon receipt of any dividends.

LETTER FROM THE BOARD

In accordance with the “Notice on Certain Issues Concerning the Policies of Individual Income Tax” (Cai Shui Zi [1994] No. 020) (《關於個人所得稅若干政策問題的通知》(財稅字[1994]020號)) promulgated by the PRC Ministry of Finance and the State Administration of Taxation on May 13, 1994, overseas individuals are, as an interim measure, exempted from the PRC individual income tax for dividends or bonuses received from foreign-invested enterprises. Therefore, the Company will not be required to withhold and pay any individual income tax on behalf of overseas individual Shareholders when the Company distributes the dividend to overseas individual Shareholders whose names appear on the H Share register of members.

Profit Distribution to Investors of Northbound Trading

For investors of the Hong Kong Stock Exchange (including enterprises and individuals) investing in the A Shares of the Company listed on the Shanghai Stock Exchange (the “**Northbound Trading**”), their dividends will be distributed in RMB by the Company through the Shanghai Branch of China Securities Depository and Clearing Corporation Limited to the account of the nominee holding such Shares. The Company will withhold and pay income taxes at the rate of 10% on behalf of those investors and will report to the tax authorities for the withholding. For investors of Northbound Trading who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises and individuals may, or may entrust a withholding agent to, apply to the competent tax authorities for the entitlement of the rate under such tax treaty. Upon approval by the competent tax authorities, the paid amount in excess of the tax payable based on the tax rate according to such tax treaty will be refunded.

The record date and the date of distribution of cash dividends and other arrangements for the investors of Northbound Trading will be the same as those for the A Shareholders of the Company.

Profit Distribution to Investors of Southbound Trading

For investors of the Shanghai Stock Exchange and Shenzhen Stock Exchange (including enterprises and individuals) investing in the H Shares of the Company listed on the Hong Kong Stock Exchange (the “**Southbound Trading**”), the cash dividends for the investors of H Shares of Southbound Trading will be paid in RMB. The record date and the date of distribution of cash dividends and other arrangements for the investors of Southbound Trading will be the same as those for the holders of H Shares of the Company.

Shanghai-Hong Kong Stock Connect: Pursuant to the relevant requirements under the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Caishui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知 (財稅[2014]81號)》), for dividends received by domestic individual investors from investing in H Shares

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listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the company of such H shares shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The company of such H shares will not withhold and pay the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves.

Shenzhen-Hong Kong Stock Connect: Pursuant to the relevant requirements under the Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (Caishui [2016] No. 127) 《(關於深港股票市場交易互聯互通機制試點有關稅收政策的通知 (財稅[2016]127號)》), for dividends received by domestic individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the company of such H shares shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from investing in shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The company of such H shares will not withhold and pay the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves.

According to the relevant provisions of the State Administration of Taxation of the PRC, the Capitalization of Reserve shall not be subject to any tax nor any withholding tax.

Shareholders are suggested to consult their tax consultants regarding the tax impacts in the PRC, Hong Kong and other countries (regions) for holding and selling the Shares.

Eligibility for Capitalization Shares of Shareholders trading through Southbound Trading and Northbound Trading

As at the Latest Practicable Date, the H Shares are eligible for Southbound Trading and the A Shares are eligible for Northbound Trading. Subject to compliance with the relevant laws or regulations in the PRC, New Capitalization H Shares will be allotted to the H Shareholders in the PRC who are holding the H Shares through the Southbound Trading and New Capitalization A Shares will be allotted to the A Shareholders in Hong Kong who are holding the A Shares through Northbound Trading.

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Application for Listing

Application will be made by the Company to the Listing Committee for the approval for the listing of, and permission to deal in, the New Capitalization H Shares. The New Capitalization A Shares will be listed on the Shanghai Stock Exchange. Subject to the satisfaction of the conditions as set out in this circular (including but not limited to the granting of the aforesaid listing approval by the Hong Kong Stock Exchange), the New Capitalization H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS. All necessary arrangements will be made by the Company for the New Capitalization H Shares to be admitted into CCASS. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Aside from the Hong Kong Stock Exchange, the New Capitalization H Shares will not be listed at or dealt in any other stock exchanges, and the Company is not currently seeking for or proposing to seek for the listing at or dealing in any other stock exchanges for the New Capitalization H Shares.

Subject to the Capitalization of Reserve becoming unconditional, the certificates for the New Capitalization H Shares and the cheques for the Profit Distribution will be despatched by ordinary post to the H Shareholders who are entitled thereto at their own risk. In case of joint shareholding, the certificates for the New Capitalization H Shares and the cheques for the Profit Distribution will be posted to the first named person on the H Shareholder's register in respect of such joint shareholding. The New Capitalization H Shares are expected to commence dealing on the Hong Kong Stock Exchange no later than Monday, July 13, 2020.

Closure of Register of Members

In order to determine the list of H Shareholders who are entitled to the Capitalization of Reserve and Profit Distribution, the Company's register of H Shareholders will be closed from Thursday, May 28, 2020 to Wednesday, June 3, 2020, both days inclusive, during which period no transfer of H Shares will be effected. H Shareholders whose names appear on the Company's register of H Shareholders on Wednesday, June 3, 2020 are entitled to receive the New Capitalization H Shares and Profit Distribution. In order to receive the New Capitalization H Shares and Profit Distribution, H Shareholders whose transfers have not been registered shall deposit the transfer documents together with the relevant share certificates at the H Share Registrar, Tricor Investor Services Limited, at or before 4:30 p.m. on Wednesday, May 27, 2020 at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong.

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Odd Lot Arrangement

In order to facilitate the trading of odd lots (if any) of the H Shares as a result of the Capitalization of Reserve, the Company has appointed Global Mastermind Securities Limited as an agent to provide matching service, on a best effort basis, to those H Shareholders who wish to acquire odd lots of the H Shares to make up a full board lot, or to dispose of their holding of odd lots of the H Shares during the period from 9:00 a.m. on Friday, June 5, 2020 to 4:00 p.m. on Friday, June 26, 2020, both days inclusive, based on the expected timetable. H Shareholders who wish to take advantage of this service should, directly or through their brokers contact Mr. Anthony LEE of Global Mastermind Securities Limited at 25/F, Nam Wo Hong Building, 148 Wing Lok Street, Sheung Wan, Hong Kong at telephone number (852) 2763 3919 during office hours (i.e. 9:00 a.m. to 6:00 p.m.) of the aforesaid period. H Shareholders should note that successful matching of the sale and purchase of odd lots of the H Shares is not guaranteed. H Shareholders who are in doubt about this service are recommended to consult their professional advisors.

Statement to be made on Acquisition of Shares

The Company shall ensure that all its listing document(s) and share certificates include the statements stipulated below and shall instruct and cause its share registrars not to register the subscription, purchase or transfer of any of its Shares in the name of any particular holder unless and until such holder delivers to such share registrar a signed form in respect of such Shares bearing statements to the following effect:

- (i) the acquirer of Shares agrees with the Company and each of its Shareholders, and the Company agrees with each Shareholder, to observe and comply with the Company Law of the PRC, the Special Regulations on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies and the Articles of Association;
- (ii) the acquirer of Shares agrees with the Company, each of its Shareholders, Directors, Supervisors, managers and officers, and the Company acting for itself and for each Director, Supervisor, manager and officer agrees with each Shareholder, to refer all differences and claims arising from the Articles of Association or any rights or obligations conferred or imposed by the Company Law of the PRC or other relevant laws and administrative regulations concerning the affairs of the Company to arbitration in accordance with the Articles of Association. Any reference to arbitration shall be deemed to authorize the arbitration tribunal to conduct its hearing in open session and to publish its award. Such arbitration will be final and conclusive;

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- (iii) the acquirer of Shares agrees with the Company and its Shareholders that the Shares are freely transferable by the holder of such Shares; and
- (iv) the acquirer of Shares authorizes the Company to enter into a contract on his behalf with each Director and officer whereby such Directors and officers undertake to observe and comply with their obligations to Shareholders stipulated in the Articles of Association.

Warning of Risks of Dealing in the H Shares

H Shareholders should note that the existing H Shares are expected to be dealt in on an ex-entitlement basis for entitlement to the Capitalization of Reserve and the Profit Distribution from Tuesday, May 26, 2020. If the conditions of the Capitalization of Reserve and Profit Distribution (as set out above under the section headed “Proposed 2019 Profit Distribution Plan”) are not fulfilled, the Capitalization of Reserve and Profit Distribution will not proceed. If in doubt, investors are recommended to consult their professional advisers.

Reasons for the Capitalization of Reserve and the Profit Distribution

Based on the positive expectations on the future development of the Company, and with reference to the operating results and the overall financial status of the Company, the Board proposed the Capitalization of Reserve and the Profit Distribution so as to share the fruitful result of the Company’s business performance with the Shareholders.

In addition, to encourage the Shareholders to continue to support the Company’s future development, the Board believes that the Capitalization of Reserve will allow the Shareholders to enjoy a pro-rata increase in the number of Shares held by them in the Company without incurring any significant costs to them. Although the Capitalization of Reserve is not expected to increase the Shareholders’ proportionate equity interests in the Company, the Capitalization of Reserve will increase the number of Shares to be held by the Shareholders, which will afford the Shareholders with more flexibility in managing their own investment portfolios such as giving them more convenience in disposing of a portion of the Shares for cash return. The Capitalization of Reserve will also result in the increase of number of Shares in issue, and the number of Shares held by H Shareholders, which will motivate the trading of Shares by the H Shareholders, and thus will enhance the trading activities and liquidity of the Shares in the market.

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Further Issue of Securities

The Company does not anticipate there is any public or private issue or placing of securities of the Company other than (i) H Shares which are being issued simultaneously with the issue of the Capitalization Shares ; (ii) any A Shares or options which may be issued pursuant to the Restricted A Shares and Stock Option Incentive Plan of 2019; (iii) any H Shares which may be issued under the Proposed Issuance of H Shares; (iv) any A Shares which may be issued pursuant to the Proposed Non-public Issuance of A Shares; and (v) any A Shares which may be issued pursuant to any employee share incentive scheme of the Company.

7. PROPOSED RE-ELECTION OF DIRECTORS

In accordance with Article 138 of the Articles of Association, the term of office of each of the Directors is three years. Upon expiry of such term, the Directors, if eligible, may offer themselves for re-election. The term of office of the first session of the Board has expired on March 1, 2020. All members of the first session of the Board will continue to fulfill their respective responsibilities in accordance with the relevant requirements of the Company Law of the PRC and the Articles of Association until the re-election and election of Directors for the forthcoming session of the Board is completed at the AGM.

All the current Directors shall retire from offices at the AGM and shall be eligible for re-election at the AGM. Mr. Xiaozhong Liu will not offer himself for re-election as executive Director at the AGM or serve as the vice president of the Company, but will continue to provide strategic guidance as the strategic consultant of the Company. The Board would like to extend its deepest gratitude to his significant contributions made to the Company since he founded the Group with others in 2000. Mr. Xiaozhong Liu has confirmed that he has no disagreement with the Board and the Company and there are no matters in relation to his departure from the Board and cessation of serving as a vice president of the Company that need to be brought to the attention of the Shareholders or the Stock Exchange.

In accordance with the Articles of Association, the Board proposed the nomination for re-election of:

- (i) Dr. Ge Li (李革博士), Mr. Edward Hu (胡正國先生), Mr. Zhaohui Zhang (張朝暉先生) and Dr. Ning Zhao (趙寧博士) as executive Directors of the second session of the Board;

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- (ii) Mr. Xiaomeng Tong (童小蒙先生) and Dr. Yibing Wu (吳亦兵博士) as non-executive Directors of the second session of the Board; and
- (iii) Dr. Jiangnan Cai (蔡江南博士), Ms. Yan Liu (劉艷女士), Mr. Dai Feng (馮岱先生), Dr. Hetong Lou (婁賀統博士) and Mr. Xiaotong Zhang (張曉彤先生) as independent non-executive Directors of the second session of the Board.

An ordinary resolution will be proposed at the AGM for approval of the proposed re-election of Directors. The Directors' term of office will commence upon the approval of the Shareholders and shall expire at the end of the term of office of the second session of the Board.

The biographical details of the above proposed Directors for re-election at the AGM are set out in Appendix IV to this circular.

8. PROPOSED ELECTION OF EXECUTIVE DIRECTOR

On March 24, 2020, the Board resolved to nominate Dr. Steve Qing Yang (楊青博士), an existing member of the Company's senior management, as an executive Director of the second session of the Board.

Dr. Steve Qing Yang has not held directorship in any other listed company in the three years immediately preceding the date of this circular.

As at the date of this circular, except for the 205,720 Restricted A Shares granted to Dr. Steve Qing Yang, Dr. Steve Qing Yang does not hold any Shares nor does he have any other interests in any Shares or underlying shares of the Company.

An ordinary resolution will be proposed at the AGM for approval of the proposed election of Dr. Steve Qing Yang as the executive Director. The term of office of Dr. Steve Qing Yang will commence upon the approval of his appointment by the Shareholders at the AGM and shall expire at the end of the term of office of the second session of the Board.

The biographical details of Dr. Steve Qing Yang are set out in Appendix IV to this circular.

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9. PROPOSED RE-ELECTION OF SHAREHOLDER REPRESENTATIVE SUPERVISORS

In accordance with Article 200 of the Articles of Association, the term of the office of each of the Supervisors is three years. Upon expiry of such term, the Supervisors, if eligible, may offer themselves for re-election. The term of office of the Supervisors expired on March 1, 2020. Shareholder representative Supervisors of the first session of the Supervisory Committee will continue to fulfill their respective responsibilities in accordance with the relevant requirements of the Company Law of the PRC and the Articles of Association until the re-election of the Shareholder representative Supervisors for the forthcoming session of the Supervisory Committee is completed at the AGM.

All the current Shareholder representative Supervisors shall retire from office at the AGM and shall be eligible for re-election at the AGM.

In accordance with the Articles of Association, the Supervisory Committee proposed the nomination for re-election of Mr. Harry Liang He (賀亮先生) and Mr. Jichao Wang (王繼超先生) as candidates of Shareholders representative Supervisors.

In addition, on March 24, 2020, Ms. Minfang Zhu (朱敏芳女士) was elected as an employee representative Supervisor at the employee meeting of the Company, which is not subject to the approval by the Shareholders at the AGM according to relevant provisions of the Articles of Association.

An ordinary resolution will be proposed at the AGM for approval of the proposed re-election of Shareholder representative Supervisors. Their term of office shall take effect upon Shareholders' approval at the AGM and shall expire at the end of the term of office of the second session of the Supervisory Committee.

The biological details of the above Shareholder representative Supervisors at the AGM proposed for re-election are set out in Appendix V to this circular.

10. PROPOSED DIRECTORS' REMUNERATION

An ordinary resolution will be proposed at the AGM to consider and approve the remuneration of the Directors for the second session of the Board as follows.

For Directors who hold positions in the Company (i.e. the executive Directors), his/her remuneration shall be determined by existing remuneration package of the Company. For Directors who do not hold a position in the Company (i.e. the non-executive Directors and independent non-executive Directors), he/she shall not receive any remuneration. The annual allowance for

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independent non-executive Directors shall be RMB300,000 (before tax). If such Director worked less than one year, his 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 PRC and the Articles of Association. The Remuneration and Appraisal Committee of the Company is further authorized to organize assessment and decide on remuneration issues.

11. PROPOSED SUPERVISORS' REMUNERATION

An ordinary resolution will be proposed at the AGM to consider and approve the remuneration of the Supervisors for the second session of the Supervisory Committee as follows.

The Supervisory Committee agreed to the remuneration plan where the Supervisors who hold positions in the Company shall be determined based on the Company's economic benefits and the Supervisor's duties and actual work performance, and references shall be made to factors such as the salary level of companies of similar scale in the same industry. For Supervisors who do not hold a position in the Company, he/she shall not receive any remuneration. The human resources department of the Company is further authorized to organize assessment and decide on remuneration issues.

12. PROPOSED PROVISION OF EXTERNAL GUARANTEES FOR SUBSIDIARIES

An ordinary resolution will be proposed at the AGM to consider and approve the maximum amount of financial guarantees to be provided by the Company for certain subsidiaries of the Company, details of which are set out in Appendix VI to this circular.

13. PROPOSED RE-APPOINTMENT OF AUDITORS FOR THE YEAR 2020

An ordinary resolution will be proposed at the AGM to consider and approve the re-appointment of Deloitte Touche Tohmatsu (a special general partnership) (德勤華永會計師事務所 (特殊普通合夥)) as PRC financial report and internal control report auditors of the Company for the year 2020. Another ordinary resolution will be proposed at the AGM to consider and approve the appointment of Deloitte Touche Tohmatsu (德勤 • 關黃陳方會計師行) as offshore financial report auditors of the Company for the year 2020. The remuneration for the PRC and offshore auditors for the year 2020 shall be determined based on the actual work conducted.

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The remuneration paid to Deloitte Touche Tohmatsu (a special general partnership) (德勤華永會計師事務所(特殊普通合夥)) for providing domestic financial report and internal control auditing services for the Company for the year 2019 amounted to RMB5.05 million and RMB0.6 million, respectively, and the remuneration paid to Deloitte Touche Tohmatsu (德勤•關黃陳方會計師行) for providing international financial report auditing services for the Company for the year 2019 amounted to RMB2.36 million.

It is also proposed at the AGM that the Board be authorized to exercise discretion for the implementation of the aforesaid remuneration packages for auditors.

14. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE A SHARES AND/OR H SHARES

In order to give the Company the flexibility to issue Shares if and when appropriate, a special resolution will be proposed at the AGM to approve the granting of the General Mandate to the Directors to allot, issue or deal with additional A Shares and/or H Shares of not exceeding 20% of the respective total number of issued A Shares and/or H Shares of the Company as at the date of passing of the proposed special resolution.

Further details of the special resolution to be passed with respect to the grant of General Mandate to issue A Shares and/or H Shares are set out in Appendix VII to this circular.

15. PROPOSED GRANTING OF REPURCHASE MANDATE TO REPURCHASE A SHARES AND/OR H SHARES

In order to give the Company the flexibility to repurchase Shares if and when appropriate, a special resolution will be proposed at the AGM, the A Share Class Meeting and the H Share Class Meeting to approve the granting of the Repurchase Mandate to the Directors to repurchase A Shares and/or H Shares on the Shanghai Stock Exchange and the Hong Kong Stock Exchange of not exceeding 10% of the total number of issued A Shares or H Shares of the Company as at the date of passing of the proposed special resolution.

The Directors wish to state that they have no immediate plan to repurchase any A Shares or H Shares pursuant to the Repurchase Mandate save for potential repurchase of Restricted A Shares issued under the Company's employee incentive schemes from time to time.

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Further details of the special resolution to be passed with respect to the grant of the Repurchase Mandate to repurchase A Shares and/or H Shares are set out in Appendix VIII to this circular. An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Repurchase Mandate is set out in Appendix IX to this circular.

16. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Pursuant to the Reply on Adjusting the Notice Period for General Meetings and Other Matters Applicable to Overseas Listed Companies (Guo Han [2019] No. 97) (《關於調整適用在境外上市公司召開股東大會通知期限等事項規定的批覆》(國函[2019]97號)) issued by the State Council of the PRC, the requirements on the notice period of convening the general meeting, shareholders' proposal right and convening procedures for joint stock companies established in the PRC and listed overseas shall be governed by the relevant requirements under the Company Law of the PRC, instead of the requirements under articles 20 to 22 of the Special Provisions of the State Council on Overseas Share Raising and Listing of Joint Stock Companies (《國務院關於股份有限公司境外募集股份及上市的特別規定》). Combined with the relevant requirements of the regulatory authorities and the actual situation of the Company, and in accordance with the principles for prudence, appropriateness and necessity, the Company proposed to make amendments to the articles in relation to the requirements on notice period and convening procedures for convening general meetings and other relevant articles in the Articles of Association.

The Company proposed that the Board be authorized to delegate the Chairman or other authorized persons to handle all necessary applications, submissions, registrations and filings and other related matters (including revisions to wordings as requested by competent PRC authorities) in connection with the amendments to the Articles of Association.

A special resolution will be proposed at the AGM to consider and approve the proposed amendments to the Company's Articles of Association, details of which are set out in Appendix X to this circular.

17. PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE FOR SHAREHOLDERS' MEETINGS

A special resolution will be proposed at the AGM to consider and approve amendments to the rules of procedure for Shareholders' meetings, details of which are set out in Appendix XI to this circular.

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18. PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE FOR BOARD MEETINGS

A special resolution will be proposed at the AGM to consider and approve amendments to the rules of procedure for Board meetings, details of which are set out in Appendix XII to this circular.

19. PROPOSED INCREASE OF REGISTERED CAPITAL

Reference is made to the announcement of the Company dated March 24, 2020 in relation to the proposed increase of registered capital of the Company as a result of the issuance of Restricted A Shares under the 2018 A Share Incentive Plan and the 2019 A Share Incentive Plan and the repurchase and cancellation of certain Restricted A Shares.

Due to the resignation of 41 participants under the 2018 A Share Incentive Plan, a total of 338,349 Restricted A Shares were repurchased and cancelled on September 17, 2019 and the relevant procedures were completed on September 20, 2019. Accordingly, the total issued share capital of the Company changed from 1,638,043,314 shares to 1,637,704,965 shares.

As the registration for 478,822 Restricted A Shares granted under the 2018 A Share Incentive Plan was completed on November 7, 2019, the total issued share capital of the Company changed from 1,637,704,965 shares to 1,638,183,787 shares.

As the registration for 12,942,744 Restricted A Shares granted under the 2019 A Share Incentive Plan was completed on December 31, 2019, the total issued share capital of the Company has further changed from 1,638,183,787 shares to 1,651,126,531 shares.

As a result of the above changes in the registered capital of the Company, the Board proposes to increase the Company's registered capital from RMB1,638,043,314 divided into 1,638,043,314 shares to RMB1,651,126,531 divided into 1,651,126,531 shares.

A special resolution will be proposed at the AGM to consider and approve the increase of the Company's registered capital from RMB1,638,043,314 divided into 1,638,043,314 Shares to RMB1,651,126,531 divided into 1,651,126,531 Shares.

20. PROPOSED FOREIGN EXCHANGE HEDGING LIMIT

An ordinary resolution will be proposed at the AGM to consider and approve the granting of limit on engaging in foreign exchange hedging, details of which are set out in Appendix XIII to this circular.

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21. PROPOSED ISSUANCE OF H SHARES UNDER SPECIFIC MANDATE

Special resolutions will be proposed at the AGM and the Class Meetings to consider and approve the Proposed Issuance of H Shares pursuant to which the Company will issue not more than 68,205,400 New H Shares (or 95,487,500 New H Shares in the event that the Capitalization of Reserve is completed before the completion of the Proposed Issuance of H Shares) to not less than 6 specific places. Details of the proposed Issuance of H Shares are as follows.

(1) Issuance proposal for the Proposed Issuance of H Shares under Specific Mandate

(A) Type and nominal value of shares to be issued

The ordinary H Shares to be issued under the Proposed Issuance of H Shares are overseas-listed foreign share(s) in the share capital of the Company with nominal value of RMB1.00 each. The New H Shares to be issued will rank *pari passu* in all respects with the issued H Shares when fully paid.

(B) Time of issuance

The Company will select an appropriate time and window within the validity period of the resolutions to be passed at the AGM and the Class Meetings to proceed with the Proposed Issuance of H Shares, which will be determined by the Board with reference to factors including the international capital market conditions, as well as the status of review of the Company's application for the relevant approvals by the PRC and overseas administrative and/or regulatory authorities.

(C) Method of issuance

The Proposed Issuance of H Shares will be carried out by way of placing.

The Company has appointed Morgan Stanley & Co. International plc and Huatai Financial Holdings (Hong Kong) Limited as the placing agents for the Proposed Issuance of H Shares. The parties are expected to sign formal placing agreements in due course but details of the transaction (including the placing price and underwriting arrangement) are yet to be finalized.

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(D) Target placees

Upon the grant of the Specific Mandate, the Board may proceed to place the New H Shares to not less than 6 qualified placees, who will be independent of and not connected with any director, supervisor, chief executive or substantial shareholders of the Company or any of its subsidiaries or any of their respective associates.

(E) Pricing mechanism

The New H Shares will be issued at a price to be determined through ordering and book building by the Board after taking into account the interests of existing Shareholders, investors' capabilities and the potential issuance risks, as well as the market practice and applicable regulatory requirements, and with reference to the capital market conditions and the valuations of comparable companies at the time when the Company issues the New H Shares, provided that the issue price will be not lower than 80% of the average closing price of the H Shares as quoted on the Hong Kong Stock Exchange over the last five trading days prior to the date of determining such issue price and shall comply with the relevant PRC practice at relevant time.

(F) Method of subscription

The New H Shares issued are to be placed in accordance with the terms of the placing agreement to be entered into between the Company and the placing agents in relation to the Proposed Issuance of H Shares.

(G) Size of issuance

The Company will issue under the Specific Mandate not more than (i) 68,205,400 New H Shares, representing not more than 40% of the total issued H Shares of the Company as at the Latest Practicable Date; or (ii) 95,487,500 New H Shares, representing 40% of the total issued H Shares of the Company if a proposed profit distribution plan for the year ended December 31, 2019 as described in the announcement of the annual results of the Company dated March 24, 2020 is approved at the AGM and the Class Meetings and the Capitalization of Reserve is completed before the completion of the Proposed Issuance of H Shares. As the share price of the Shares will be subject to an adjustment after the completion of the Capitalization of Reserve, the total number of New H Shares to be issued under the Specific Mandate will be updated to 95,487,500 accordingly. The completion of the Capitalization of Reserve and the consequential increase in the maximum of New H Shares to be issued are not expected to result in material change in the proceeds from the Proposed Issuance of H Shares.

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As at the Latest Practicable Date, the total number of Shares in issue of the Company is 1,651,126,531 Shares, in which the number of H Shares is 170,513,560 Shares.

- Assuming (i) the maximum 68,205,400 New H Shares are issued; and (ii) there is no other change in the total issued share capital of the Company from the Latest Practicable Date and up to the completion of the Proposed Issuance of H Shares, the New H Shares will represent not more than approximately 40.00% of the total number of H Shares in issue and 4.13% of the total number of Shares in issue of the Company as at the Latest Practicable Date, respectively, or not more than approximately 28.57% of the total number of H Shares in issue and 3.97% of the total number of Shares in issue of the Company as enlarged by the Proposed Issuance of H Shares under Specific Mandate. The total number of Shares in issue of the Company will be enlarged to 1,719,331,931 Shares (including 238,718,960 H Shares and 1,480,612,971 A Shares).
- Assuming (i) the maximum 95,487,500 New H Shares are issued; (ii) the Capitalization of Reserve is completed; and (iii) there is no other change in the total issued share capital of the Company from the Latest Practicable Date and up to completion of the Proposed Issuance of H Shares, the New H Shares will represent not more than approximately 40.00% of the total number of H Shares in issue and 4.13% of the total number of Shares in issue of the Company upon the completion of the Capitalization of Reserve, respectively, or not more than approximately 28.57% of the total number of H Shares in issue and 3.97% of the total number of Shares in issue of the Company as enlarged by the Capitalization of Reserve and the Proposed Issuance of H Shares. The total number of Shares in issue of the Company will be enlarged to 2,407,064,643 Shares (including 334,206,484 H Shares and 2,072,858,159 A Shares).

If there is any ex-right matter such as bonus issue/capitalization issue between the Latest Practicable Date and the completion date of the Proposed Issuance of H Shares, the number of New H Shares to be issued will be adjusted in accordance with the following formula:

$$QA1 = QA0*(1+EA),$$

where QA1 refers to the maximum number of New H Shares to be issued post-adjustment; QA0 refers to maximum number of New H Shares to be issued pre-adjustment; and EA refers to the number of bonus/capitalization issue Shares to be issued per Share. The aforesaid maximum number of New H Shares is subject to the adjustment and approval of CSRC and the Hong Kong Stock Exchange.

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The size of issuance of the New H Shares has been determined by the Board with reference to (i) the Company's plan to enlarge the equity base of the Company for the reasons as more particularly described in "Reasons for the Proposed Issuance of H Shares" below; (ii) the Company's business outlook; and (iii) the Company's expansion and development plan amidst growing industry demand.

The actual size of the issuance shall be determined by the Board or its authorized person(s) within the above range, subject to the authorization by the Shareholders at the AGM and the Class Meetings, and in accordance with the relevant legal requirements, regulatory approval and market conditions.

(H) Accumulated profits

Any accumulated profits of the Company which remain undistributed immediately before the completion of Proposed Issuance of H Shares shall be for the benefit of all the Shareholders (including the placees of the New H Shares) as a whole.

(I) Validity period of the resolutions

The resolutions relating to the Specific Mandate set out in the notices of AGM and the Class Meetings will be valid for 12 months, commencing from the date of passing of the relevant resolutions at the AGM and the Class Meetings.

If the Company obtains the issuance approval, permit, filing or registration from the applicable regulatory authority within the validity period as approved by the Shareholders, the Company may complete the Proposed Issuance of H Shares under the Specific Mandate within the validity period as confirmed in such approval, permit, filing or registration.

(J) Authorization of consequential amendments to the Articles of Association upon completion of the Proposed Issuance of H Shares under the Specific Mandate

The existing registered capital of the Company is set out in the Articles of Association. Upon completion of the Proposed Issuance of H Shares, the number of H Shares in issue, the registered capital and the capital structure of the Company will change. Under the Company Law of the PRC and the Articles of Association, any increase in the registered capital and any material changes to the Articles of Association are subject to the approval of the Shareholders. The Directors intend to seek the grant of an authority by the Shareholders at the AGM and the Class Meetings to authorize the Board, the Chairman and/or authorized persons of the Chairman make necessary consequential amendments to the Articles of Association to the registered capital and capital structure of the Company subsequent to the

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completion of the Proposed Issuance of H Shares and deal with the relevant registration and filing procedures with the relevant authorities and other matters in relation to the implementation of the Shareholders' and Board's resolutions during their validity period.

(K) Other relevant authorization

The Board will seek the Shareholders' authorization at each of the AGM and the Class Meetings to authorize the Board, the Chairman and/or authorized persons of the Chairman to deal with severally or jointly, all the matters with full authority in relation to the Proposed Issuance of H Shares. Such matters include but are not limited to:

- (i) determine the terms of the Proposed Issuance of H Shares, including the determination of the timing (as determined by the Board with reference to global capital market conditions and the approval status of the application from the relevant PRC and overseas authorities), issuer, method, currency, par value, actual price (including the price range and final price), actual size, market, adjustment to the use of proceeds, underwriting arrangements, listing of the issued shares on the Hong Kong Stock Exchange and other matters in relation to the exercise of the Specific Mandate; make appropriate amendments to the terms of the Proposed Issuance of H Shares in light of the specific circumstances and pursuant to the approval(s) by the relevant regulatory authorities, policy change and change in market conditions, except for those matters that require a new resolution of the AGM, the Class Meetings or the Board as prescribed by the relevant laws and regulations or the Articles of Association;
- (ii) take all necessary actions in relation to the Proposed Issuance of H Shares under the Specific Mandate, including but not limited to:
 - engaging and appointing the placing agents, the PRC and overseas legal advisers and other relevant professional parties;
 - applying to relevant domestic and overseas regulatory authorities for the approval, registration, filling and other procedures for the issuance, reporting, transaction and listing of the New H Shares on behalf of the Company; and
 - executing, implementing, amending and completing any document (including but not limited to placing agreement, underwriting agreement and listing documents) and doing any act as necessary and appropriate in relation to the Proposed Issuance of H shares;

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- (iii) negotiate and execute placing agreement with placing agents, and approve any modification therein;
- (iv) submit the application for listing of additional H Shares to be issued to the Hong Kong Stock Exchange, including but not limited to the application for waiver from compliance with any applicable laws or regulations (the “**Listing Application**”), execute any documents and any listing documents related to the Listing Application submitted by the then relevant party authorized by the Chairman as the listing agent, and issue relevant announcements, circulars and notices related to the issuance of the New H Shares on the websites of the Hong Kong Stock Exchange and the Company, and submit relevant forms, documents or other information to the Hong Kong Stock Exchange;
- (v) prepare, modify and submit the reporting materials related to the issuance, declaration, transaction and listing in respect of the issuance of the New H Shares in accordance with the relevant laws and regulations, opinions and suggestions of regulatory authorities and actual situation, and make any disclosure as required by the relevant authorities in relation to the Proposed Issuance of H Shares;
- (vi) make necessary amendments to the Articles of Association in connection with the registered capital and capital structure of the Company subsequent to completion of the Proposed Issuance of H Shares and deal with the relevant registration and filing procedures with the relevant industry and commerce administration authorities and other matters in relation to the implementation of the Shareholders’ and the Board’s resolutions; and
- (vii) deal with all other matters in relation to the Proposed Issuance of H Shares with full discretion, including but not limited to formulating, changing, approving, ratifying and confirming the issuance plan and all other terms, and signing, entering into and/or delivering any documents which he/she considers necessary or appropriate.

(L) Use of proceeds

The proceeds from the Proposed Issuance of H Shares, after deducting relevant costs and expenses, commission and levies, will be utilized in the following manner:-

- (i) approximately 35.0% will be used for mergers and acquisitions including, but not limited to, expansion of the Group’s presence in the US, Europe and Asia Pacific;

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- (ii) approximately 20.0% will be used for expansion of the Group's overseas operation;
- (iii) approximately 15.0% will be used for construction of Changshu R&D Integrated Project;
- (iv) approximately 10.0% will be used for repaying bank loans and other borrowings, the details of which are disclosed under the paragraph headed "Reasons for the Proposed Issuance of H Shares — (v) Optimization of financing structure"; and
- (v) the remainder shall be used to replenish the working capital of the Company.

(2) Reasons for the Proposed Issuance of H Shares

(i) *Broadening the investor base of the Company*

The Company is a leading global pharmaceutical R&D services and contract manufacturing platform company under continuous global expansion and is therefore fervidly sought after by international investors. As at the Latest Practicable Date, the issued share capital of the Company consisted of 1,480,612,971 A Shares (representing 89.67% of the Company's total issued share capital) and 170,513,560 H Shares (representing 10.33% of the Company's total issued share capital). As illustrated in the table at page 33, upon completion of the Proposed Issuance of H Shares, the enlarged issued share capital of the Company will consist of 1,480,612,971 A Shares (representing 86.12% of the Company's total enlarged issued share capital) and 238,718,960 H Shares which will all be held by public shareholders (representing 13.88% of the Company's total enlarged issued share capital). As a result, the Proposed Issuance of H Share under the Specific Mandate will broaden the Company's H Share shareholder base and profile, thereby enhancing its access to international investors of strategic value by allowing it to further leverage the Hong Kong Stock Exchange's H share trading platform.

(ii) *Continue to strengthen our platform through M&A and strategic investments*

As a leading global pharmaceutical R&D services and contract manufacturing platform company with over 70% of its revenue in 2019 generated from customers in the U.S. and Europe, including all the top 20 global pharmaceutical companies and thousands of biotech/biopharma companies based outside China, the Company has a global footprint and a proven track record in growing its ecosystem through M&A and strategic investments. Since the early stages of its business, it acquired AppTec, a medical device testing and cell/gene therapy CDMO company with facilities in the U.S. Following which, it successfully completed a series of acquisitions and investments, including Medkey, XBL, Crelux and

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Shanghai HD Biosciences. Following its Listing, the Company has continued to execute various acquisitions and venture investments in line with its strategic investment policy, including the recent acquisition of small clinical CRO Pharmapace in California in May 2019.

Consistent with its long-term investment strategy to select suitable acquisition or investment targets which could potentially provide effective synergy with its service platform and support for the growth of the healthcare ecosystem and with an aim to swiftly establish local operation base in such countries to meet the imminent demands of its clients, the Company has been actively seeking opportunities and competing with other industry players to expand in the U.S., Europe and Asia Pacific through mergers and acquisitions of established target companies in the businesses of contract development and manufacturing organization (“CDMO”), clinical contract research organization (“CRO”) and pre-clinical and drug discovery CRO with valuation of approximately US\$500 million or above and over 10 years of operating history and 1,000 employees. The Company has been screening suitable targets but has yet to identify any specified target company as of the Latest Practicable Date. In assessing its acquisition targets, the Company would consider the profile of the target companies in totality, including their size, operating history, technology and expertise, financial performance, location and geographical coverage, operational capacity and scale, reputation, quality of the existing management and scientists and research technicians, corporate culture, and proximity to its customers. We expect these acquisitions to enhance our global technological capabilities and capacity, thereby allowing us to (a) better serve our global customers, (b) connect our domestic customers with the global drug and healthcare industry, (c) provide innovative and cutting-edge technologies to customers to increase pharmaceutical R&D efficiency; and (d) generate synergies with our existing large discovery, pre-clinical, clinical and manufacturing pipelines both through cross-selling and improvements in economies of scale. The envisaged M&A often requires sizable acquisition funding given the industry landscape. A significant portion of the proceeds from the Proposed Issuance of H Shares, together with the cash and cash equivalents of the Company from operation and financing alternatives, will provide readily available resource for the Company to seize sizable transient opportunities for securing acquisition of suitable target companies overseas (especially in a competitive bidding situation).

(iii) Imminent need for expanding global capacity and capabilities amidst industry trend of localization

Recent years have witnessed a trend of localization in the major markets of the global pharmaceutical R&D industry driven by the increasing consciousness of the need of ensuring the reliability and self-sustainability of domestic pharmaceutical supply chain in the U.S. and major European countries, which is exemplified by the global spread of the novel coronavirus

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pneumonia (“COVID-19”). In the U.S., President Donald Trump reiterated the U.S. policy of localized manufacturing during a meeting with executives of top pharmaceutical companies on March 2, 2020.

In light of such localization trend and in response to the recent policy trend and legislation initiatives of the U.S. in increasing domestic pharmaceutical manufacturing activities as a result of the COVID-19, the Company believes expeditious expansion of its manufacturing operations and clinical researches through mergers and acquisitions in the U.S. and Europe and establishment or expansion of production sites, including but not limited to construction of CMO/CDMO facilities in the U.S., would be of paramount importance in maintaining its immediate and long term business growth and diversifying the geographic concentration of the Company’s existing and sizable production capacity and capabilities of its production sites, which could potentially provide effective synergy with its service platform and support the growth of the healthcare ecosystem with the aim to strike a balance between swiftly establishing local operation bases in such countries to meet the imminent demands of its clients and preparing for sustainable business growth. By proactively enhancing our presence in the U.S. and Europe, specifically, the Company will also become more resilient to the localization trend and related risks that may affect the global supply chain.

(iv) Expansion of CMO/CDMO capacity and consolidation of our market share in China

As a recent entrant in the CMO/CDMO industry, China is now one of the most exciting places for innovation and hypergrowth. Capitalizing on various competitive strengths with respect to talent, infrastructure and cost structure, China’s CMOs and CDMOs have become strategic suppliers for international pharmaceutical companies and play an increasingly important role, largely driven by China’s new drug R&D policies and pharmaceutical companies increasingly looking to CMOs/CDMOs to provide more innovative services. The Company has been a pioneer in the CMO/CDMO area and by establishing close collaborative relationships with its customers during the pre-clinical stage, demand for the Company’s CMO/CDMO services continued to grow alongside its client’s advancement in its drug development process.

Riding on the thriving China CMO/CDMO market and in order to meet the client’s demands for the Company’s CMO/CDMO services, the Company intends to continue to implement its “follow the project” and “follow the molecule” strategies to fund large projects in China to expand its CMO/CDMO facilities and customer base. For the year ended December 31, 2019, the revenue of our CMO/CDMO services amounted to RMB3,752.1 million, representing a YoY growth of 39.02%. Recently, the Company applied for and obtained approval for the construction of the Changshu R&D Integrated Project. Upon

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completion of the project, the Company will be able to produce 250 tons of APIs for drug candidates of high clinical needs such as those targeting Alzheimer's disease, oncology, hypertension and AIDS annually in addition to annual production of over 3,000 tons of by-products. The Company's existing CDMO capacity in Shanghai and Changzhou are being fully utilized. The expansion of the Company's CMO/CDMO capacity will enable the Company to capture the market opportunities and consolidate its existing market share in the PRC.

(v) Optimization of financing structure

As at December 31, 2019, the Company had borrowings of RMB2,572.3 million in aggregate. Among which, bank borrowings of approximately RMB939.0 million (equivalent to approximately HK\$1,048.2 million) are repayable on or before November 2020 with interest rates ranging from 3.00% per annum to 3.92% per annum. The Company plans to apply a portion of the net proceeds to repay part of its existing indebtedness to reduce the interest on the borrowings. The Directors consider that the Proposed Issuance of H Shares represents a unique opportunity to replenish the capital of the Company in currencies other than Renminbi and to support a sustainable development of the Company while lowering its level of indebtedness and optimizing its financing structure.

(3) Conditions to the Proposed Issuance of H Shares

The Proposed Issuance of H Shares, if granted, is conditional upon:

- (i) the grant of the Specific Mandate by the Shareholders to the Board having been obtained at the AGM and the Class Meetings;
- (ii) the approval of the proposed issue of the New H Shares pursuant to the Specific Mandate by the relevant PRC administrative and/or regulatory authorities, including the CSRC;
- (iii) the entering into of the placing agreement between the Company and the placing agents and the placing agreement not being terminated in accordance with the terms therein; and
- (iv) the Listing Committee granting listing of and permission to deal in all of the New H Shares to be issued and placed pursuant to the Proposed Issuance of H Shares.

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For avoidance of doubt, the Proposed Non-public Issuance of A Shares and the Proposed Issuance of H Shares are not inter-conditional upon each other (in whole or in part). Under the Listing Rules, no Shareholders are required to abstain from voting at the AGM and the Class Meetings. In the event the Proposed Issuance of New H Shares is not completed, the Company will assess the feasibility of the intended mergers and acquisitions taking into account potential financing alternatives and fund the overseas operation expansion and the Changshu R&D Integrated Project with existing resources and financing alternatives, which may result in delay and limitations of business expansion plans and decreased financial liquidity.

(4) Effects of the Proposed Issuance of H Shares on Share Capital and Shareholding Structure

As at the Latest Practicable Date, the total issued share capital of the Company is 1,651,126,531 Shares, which comprises 1,480,612,971 A Shares and 170,513,560 H Shares. The shareholding structure of the Company (i) as of the Latest Practicable Date; (ii) immediately after the exercise of the Specific Mandate and (iii) immediately after the exercise of the Specific Mandate and completion of the Capitalization of Reserve is set out as follows:

Shareholder	Class of Shares	As of the Latest Practicable Date		Immediately after the exercise of the Specific Mandate ⁽²⁾		Immediately after the exercise of the Specific Mandate and the completion of the Capitalization of Reserve ⁽³⁾	
		Number of Shares	Approximately percentage of the total issued share capital ⁽¹⁾ (%)	Number of Shares	Approximately percentage of the total issued share capital ⁽²⁾ (%)	Number of Shares	Approximately percentage of the total issued share capital ⁽³⁾ (%)
The Founding Individuals	A	452,703,276	27.42%	452,703,276	26.33%	633,784,586	26.33%
Sub total		452,703,276	27.42%	452,703,276	26.33%	633,784,586	26.33%
Public Shareholders	A	1,027,909,695	62.26%	1,027,909,695	59.79%	1,439,073,573	59.79%
	H	170,513,560	10.33%	238,718,960	13.88%	334,206,484	13.88%
Sub total		1,198,423,255	72.58%	1,266,628,655	73.67%	1,773,280,057	73.67%
Total		1,651,126,531	100.00%	1,719,331,931	100.00%	2,407,064,643	100.00%

Notes:

- (1) The approximate percentages of (i) the A Shares; (ii) the H Shares; and (iii) the total issued share capital are rounded to the nearest two decimal places and may not add up to 100% due to rounding.

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- (2) The number of Shares assumes that (i) the maximum 68,205,400 New H Shares are issued; and (ii) there is no other change in the total issued share capital of the Company from the Latest Practicable Date and up to completion of the Proposed Issuance of H Shares.
- (3) The number of Shares assumes that (i) the maximum 95,487,500 New H Shares are issued; (ii) the Capitalization of Reserve is completed; and (iii) there is no other change in the total issued share capital of the Company from the Latest Practicable Date and up to completion of the Proposed Issuance of H Shares.

(5) Application for Listing

Should the Board, upon obtaining the Specific Mandate, proceed to exercise the Specific Mandate to issue the New H Shares, the Company will apply to the Listing Committee for the listing of and permission to deal in all of the New H Shares to be issued and placed pursuant to the Proposed Issuance of H Shares.

(6) Proceeds raised over the past 12 months

Save and except for the fund raising activity mentioned below, the Company did not conduct any fund raising activities during the past 12 months immediately preceding the Latest Practicable Date.

Fund raising activity

On September 17, 2019 (the “**Issue Date**”), the Company issued US\$300 million zero coupon convertible bonds due 2024 convertible at the option of the holders thereof into fully paid ordinary H Shares of the Company of par value RMB1.0 each at the initial Conversion Price of HK\$111.8 per H Share (the “**Bonds**”). Relevant announcements of the Bonds are issued on September 3, 2019, September 4, 2019, September 5, 2019 and September 17, 2019.

Use of proceeds raised from the Bonds

The net proceeds raised from the Bonds, after the deduction of fees, commissions and expenses payable, were approximately US\$294 million (or approximately RMB2,079.5 million based on an exchange rate as of Issue Date). The Company intends to use the proceeds for, among others, (i) mergers and acquisitions, and business expansion, and (ii) working capital and general corporate purposes.

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As at the Latest Practicable Date, the actual application on the intended use of the proceeds raised from the Bonds is as follows:

Use of proceeds	Percentage of net proceeds from the subscription of the Bonds %	Balance of utilized amount as at the Latest Practicable Date (RMB million)	Balance of unutilized amount as at the Latest Practicable Date ⁽¹⁾ (RMB million)	Expected timeline for utilizing the remaining balance of net proceeds from the Subscription of the Bonds ⁽²⁾
Mergers and acquisitions and business expansion	74.40%	—	1,547.1	December 31, 2020
Working capital and general corporate purposes	25.60%	—	532.3	December 31, 2020
Total	<u>100%</u>	<u>—</u>	<u>2,079.5</u>	

Notes:

- (1) If the sum of the data is inconsistent with the total, it is caused by rounding.
- (2) The expected timeline for utilizing the remaining proceeds is made based on the best estimation of the Company taking into account, among other, prevailing and future market conditions, regulatory changes and approvals as well as actual business development, and therefore is subject to change.

Net proceeds from the subscription of the Bonds were received in US dollars. Before the Company may utilize the proceeds, the Company is required to complete the relevant regulatory filings with the PRC authorities. To meet the Company's business development needs, the Company has initially used its own working capital and bank loans to fund the merger of Suzhou Kanglu Co., Ltd. (in the amount of approximately RMB657.2 million) and partial consideration for the acquisition of STA non-controlling interest shares (in the amount of approximately RMB868.4 million) in late 2019. The Company is expected to substitute the expenditure on the above mentioned two projects with the proceeds from the Bonds offering after completing the regulatory filings to convert the proceeds into Renminbi during the course of 2020.

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(7) Others

The Company will ensure that the target placees are independent third parties and the Company will ensure that upon completion of the Proposed Issuance of H Shares, it will continue to be in compliance with the relevant requirements of the Listing Rules on public float.

As at the Latest Practicable Date, the Company has not made any applications in relation to the Proposed Issuance of New H Shares to the CSRC. The Directors consider that a validity period of 12 months for the Specific Mandate is required since there is uncertainty as to the time required to obtain the CSRC approval and that a 12-month period will provide sufficient flexibility to the Directors to select the most suitable timing to determine the issue price and the time of the issuance. Depending on market conditions, the Board may or may not exercise the Specific Mandate, if granted, to issue New H Shares. If the Board proceeds to issue the New H Shares pursuant to the Specific Mandate, a separate announcement will be made.

The Company could be adversely affected by outbreaks of pandemics and epidemics. The World Health Organization declared the COVID-19 outbreak a Public Health Emergency of International Concern on January 30, 2020 and a global pandemic on March 11, 2020. The ultimate impact of the COVID-19 outbreak on the Company's business and on the Proposed Issuance of H Shares will depend on future developments, including new information that may emerge concerning the severity of COVID-19 and actions taken by governmental authorities worldwide to contain the spread of COVID-19 or to treat its effects. Both COVID-19 itself and related governmental actions, including travel restrictions and other measures, could adversely affect the Company's customers, suppliers and employees, as well as economic growth and financial markets in general, in ways that are highly uncertain and cannot be predicted at present. In particular, the Company's operations in the United States and certain member states of the European Union may be potentially affected by the increasingly severe COVID-19 outbreak in these regions. Accordingly, the COVID-19 could have an adverse impact on the Company's operations, on the Company's need for further fund raising and on the Proposed Issuance of H Shares. Shareholders and potential investors of the Company are reminded that the Proposed Issuance of H Shares under the specific Mandate may or may not proceed and advised to exercise caution when dealing in or investing in the Shares of the Company.

22. COMPLIANCE WITH CONDITIONS FOR THE PROPOSED NON-PUBLIC ISSUANCE OF A SHARES

An ordinary resolution will be proposed at the AGM to pass the compliance with conditions for the Proposed Non-public Issuance of A Shares by the Company. Details of the resolution to be passed are set out in Appendix XIV to this circular.

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23. PROPOSED NON-PUBLIC ISSUANCE OF A SHARES UNDER THE GENERAL MANDATE

A special resolution will be proposed at the AGM to approve the Proposed Non-public Issuance of A Shares pursuant to which the Company will issue not more than 75,000,000 A Shares (or not more than 105,000,000 A shares in the event that the Capitalization of Reserve is completed prior to the completion of the Proposed Non-public Issuance of A Shares), to not more than 35 specific subscribers at a final issue price to be determined in the manner described under “(1)(d) Price benchmark date, pricing principles and issue price”. We intend to raise gross proceeds of not more than RMB6,527.94 million. Details of the Proposed Non-public Issuance of A Shares are as follows:

(1) Issuance proposal for the Proposed Non-public Issuance of A Shares

(A) Type and nominal value of shares to be issued

The A Shares to be issued under non-public issuance are domestically listed ordinary shares denominated in RMB, with par value of RMB1.00 each.

(B) Method and time of issuance

The Proposed Non-public Issuance of A Shares will be undertaken by way of non-public issuance to specific subscribers. The Company will issue A Shares to specific subscribers at an appropriate time within the validity period as approved by the CSRC.

(C) Target subscribers and method of subscription

The target subscribers of the Proposed Non-public Issuance of A Shares will be not more than 35 specific investors, including securities investment fund management companies, securities companies, trust companies, finance companies and insurance institutional investors and qualified foreign institutional investors which satisfy the relevant requirements of the CSRC, and other legal persons, natural persons or other institutional investors which satisfy the relevant conditions of laws and regulations. A securities investment fund management company, securities company, qualified foreign institutional investor or RMB qualified foreign institutional investor subscribing through 2 or more funds under its management shall be deemed as one single subscriber. A trust investment company, as a subscriber, can only subscribe with its internal funds.

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Upon obtaining the written approval of the CSRC for the Proposed Non-public Issuance of A Shares, the final target subscribers shall be determined by the Board, under the authorization granted at the AGM, with the sponsor and lead underwriters according to the relevant requirements and based on the price inquiry results.

All A Shares to be issued under the Proposed Non-public Issuance of A Shares will be subscribed for in RMB.

The A Shares to be issued under the Proposed Non-public Issuance of A Shares shall not be placed to the existing Shareholders of the Company.

As at the Latest Practicable Date, (i) the Company has not entered into any agreement with any potential subscribers in respect of the Proposed Non-public Issuance of A Shares, and (ii) the Company expects that the A Shares to be issued under the Proposed Non-public Issuance of A Shares will be issued to subscribers who and whose ultimate beneficial owners are third parties independent of the Company and its connected person, and none of them will become substantial Shareholders upon completion of their respective subscriptions of the A Shares under the Proposed Non-public Issuance of A Shares.

(D) Price benchmark date, pricing principles and issue price

The price benchmark date of the Proposed Non-public Issuance of A Shares shall be the first day of the issue period of the Proposed Non-public Issuance of A Shares. The issue price of the issuance shall be no less than 80% of the average trading price (rounded up to the nearest two decimal places) of the A Shares of the Company for the 20 trading days preceding the price benchmark date (excluding the price benchmark date; same for below). The average trading price of the A Shares for the 20 trading days preceding the price benchmark date shall be the total trading amount of A Shares for the 20 trading days preceding the price benchmark date divided by the total trading volume of A Shares of the Company for the 20 trading days preceding the price benchmark date.

In the event that the Company distributes cash dividends, grants bonus shares, converts capital reserve into share capital or carries out any other ex-right or ex-dividend activities during the period commencing from the price benchmark date to the issuance date, adjustments shall be made to the base price for the issuance accordingly.

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Upon obtaining the written approval of the CSRC for the Proposed Non-public Issuance of A Shares, the final issue price shall be determined by the Board or its authorized person(s), under the authorization granted at the AGM, with the sponsor and lead underwriters through price inquiry in the market based on the aforementioned base price and according to the price bids submitted by the target subscribers.

(E) Issue size

Subject to compliance with the regulatory requirements of the places where the Shares of the Company are listed, the number of A Shares to be issued under the Proposed Non-public Issuance of A Shares shall be no more than 75,000,000 A Shares, representing not more than 5.07% of the total issued A Shares of the Company as at the Latest Practicable Date.

If there is any ex-right matter such as bonus issue/capitalization issue between the Latest Practicable Date and the completion date of the Proposed Non-public Issuance of A Shares, the number of A Shares to be issued will be adjusted in accordance with the following formula:

$$QA1 = QA0*(1+EA),$$

where QA1 refers to the maximum number of A Shares to be issued post-adjustment; QA0 refers to maximum number of A Shares to be issued pre-adjustment; and EA refers to the number of bonus/capitalization issue Shares to be issued per Share.

The issue size shall be subject to adjustment, if any, by the CSRC and other regulatory authorities.

After obtaining the written approval for the Proposed Non-public Issuance of A Shares from the CSRC, the Board or its authorized representative(s) shall, pursuant to the authorization of the Shareholders in the AGM, negotiate with the sponsor and lead underwriters to determine the final number of A Shares to be issued according to the relevant regulations of the CSRC and the price bids submitted by the target subscribers.

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(F) Amount and use of proceeds

The actual gross proceeds to be raised from the Proposed Non-public Issuance of A Shares are determined based on the actual issue price and the final number of A Shares issued (gross proceeds = number of A Shares issued × actual issue price), and we do not intend to raise more than RMB6,527.94 million. After deducting relevant issuance expenses, the net proceeds to be raised from the Proposed Non-public Issuance of A Shares are intended to be used in the following areas:

No.	Name of projects	Proposed amount of proceeds to be applied (RMB million)	Percentage of proceeds from the Proposed Non-public Issuance of A Shares (%)
1	WuXi STA New Drug Pharmaceutical Development Service and inhibitor production (Phase I) (無錫合全藥業新藥製劑開發服務及製劑生產一期項目)	736.3	11.28%
2	STA global R&D center project (合全藥業全球研發中心及配套項目)	491.8	7.53%
3	Changzhou STA new drugs production and R&D centre (常州合全新藥生產和研發中心項目) ⁽¹⁾	660.6	10.12%
4	Changzhou STA new drug production and R&D integrated project (常州合全新藥生產和研發一體化項目)	1,789.3	27.41%
5	Upgrade of STA's platform technology of small molecule innovative drug production process of R&D (合全藥物研發小分子創新藥生產工藝平台技術能力升級項目)	300.0	4.60%
6	Upgrade of platform technology of drug research and development of WXAT Shanghai (上海藥明藥物研發平台技術能力升級項目)	600.0	9.19%
7	General working capital	1,950	29.87%
	Total	6,527.9	100.00%

Notes:

- (1) The construction is partially completed and the proceeds shall be used for funding the remaining construction project.
- (2) Any discrepancies in the table between total sum of amounts listed therein are due to rounding.

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If the actual amount of net proceeds from the Proposed Non-public Issuance of A Shares is less than the proposed amount of proceeds to be applied in the above projects, the Company will adjust and determine the final specific investment projects, order of priority and specific investment amounts of each project based on the actual amount of net proceeds and the priority of each project, and any shortfall in the investment amounts will be made up by utilizing the internal capital of the Company or through other financing methods.

Prior to receipt of the proceeds to be raised from the Proposed Non-public Issuance of A Shares, the Company may contribute self-raised funds in accordance with the actual needs and progress of the projects. Upon receipt of the proceeds to be raised, the Company will replace the funds in accordance with the requirements under relevant laws and regulations.

(G) *Lock-up period*

The target subscribers shall undertake to subscribe A Shares to be issued, and will not transfer the shares within six (6) months from the listing of A Shares under the Proposed Non-public Issuance of A Shares. If there are other requirements on the lock-up period of shares to be subscribed by the target subscribers and the transfer of shares upon expiration from regulatory authorities related to the Proposed Non-public Issuance of A Shares, such other requirements shall be complied with.

In the event that any Shares obtained by the target subscribers within the above lock-up period are derived from circumstances such as distribution of dividends and conversion of capital reserves into share capital by the Company in relation to the A Shares to be subscribed by the target subscribers, the above lock-up arrangement shall also apply to such Shares. The target subscribers who receive A Shares under the Proposed Non-public Issuance of A Shares and reduce their shareholding upon expiration of the lock-up period are required to comply with the relevant requirements of laws, regulations, rules and regulatory documents such as the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China and the Shanghai Listing Rules, as well as the Articles of Association.

(H) *Place of listing*

The A Shares to be issued under the Proposed Non-public Issuance of A Shares will be listed and traded on the Shanghai Stock Exchange upon expiration of the lock-up period.

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(I) Arrangement of accumulated undistributed profits before the Proposed Non-public Issuance of A Shares

Both new Shareholders and existing Shareholders are entitled to the accumulated undistributed profits of the Company prior to the Proposed Non-public Issuance of A Shares upon completion of the Proposed Non-public Issuance of A Shares.

(J) Validity period of the resolution of the Proposed Non-public Issuance of A Shares

The resolution in relation to the Proposed Non-public Issuance of A Shares shall remain valid for 12 months from the date on which relevant resolutions are considered and approved at the AGM.

If the Proposed Non-public Issuance of A Shares is still pending the approval and permit from, and registration with, the regulatory authority, provided that the maximum number of A Shares to be issued does not exceed the limit of the general mandate for the next year as approved by the general meeting, the Proposed Non-public Issuance of A Shares may be conducted in accordance with the limit of the general mandate for the next year without the need of convening another general meeting or class meeting to approve any resolutions with respect to the Proposed Non-public Issuance of A Shares being issued under the general mandate in effect by then.

(2) Conditions precedent of the Proposed Non-public Issuance of A Shares

The Proposed Non-public Issuance of A Shares is subject to (i) the approval of the Shareholders at the AGM; (ii) the approval of the Shareholders at the AGM for the proposed granting of the General Mandate; and (iii) the approval of the CSRC. Upon obtaining the approval of the CSRC, the Company will apply to the Shanghai Stock Exchange and the Shanghai Branch of China Securities Depository and Clearing Corporation Limited to complete the approval and registration procedures for the Proposed Non-public Issuance of A Shares.

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For avoidance of doubt, the Proposed Non-public Issuance of A Shares and the Proposed Issue of H Shares are not inter-conditional upon each other (in whole or in part). In the event the Proposed Non-public Issuance of A Shares is not completed, the Company will consider financing alternatives in order to fund the investment projects set forth under (F) Amount and use of proceeds or delay its expansion plan on page 40 of this circular.

(3) General Mandate to issue the A Shares and/or H Shares

A special resolution will be proposed at the AGM to consider and approve the granting of the General Mandate to the Board, pursuant to which the Board may issue, allot and/or deal with additional A Shares and/or H Shares of not exceeding 20% of the respective total number of issued A Shares and/or H Shares as at the date of passing of the proposed special resolution. For details, please refer to Resolution 19 in the notice of the AGM and Appendix VII to this circular. The Company will issue and allot A Shares under the Proposed Non-Public Issuance of A Shares pursuant to the General Mandate to be considered and granted by the Shareholders at the AGM.

Subject to the passing of the special resolution for the approval of the General Mandate at the AGM, the General Mandate shall become effective immediately upon the passing of the relevant special resolutions up to (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the 12-month period from the date of passing the relevant special resolutions; and (iii) the date on which the General Mandate is revoked or varied by a special resolution of the Shareholders in general meeting, whichever is the earliest.

(4) Proposed amendments to the Articles of Association

Upon the completion of the Proposed Non-public Issuance of A Shares, there will be changes in the Company's registered capital, total amount of shares and etc. In light of the aforementioned circumstances, it was proposed in the AGM that approval be given in respect of authorizing the Board and its authorized persons to re-delegate the chairman or its authorized persons upon the completion of the Proposed Non-public Issuance of A Shares, pursuant to the results of the Proposed Non-public Issuance of A Shares, to make necessary amendments to the relevant terms in the Articles of Association and perform in time the obligations of disclosure of relevant information.

The amendments to the Articles of Association will become effective subject to the approval in the AGM and the completion of the Proposed Non-public Issuance of A Shares.

LETTER FROM THE BOARD

(5) Authorization to the Board and its authorized persons

In connection with the Proposed Non-public Issuance of A Shares, a resolution is submitted to the Shareholders for approval by way of a special resolution at the AGM to authorize the Board, the Chairman and/or authorized persons of the Chairman to deal with the matters in relation to the Proposed Non-public Issuance of A Shares within the scope of authorization. The contents of authorization include but are not limited to:

- (i) To formulate and implement the final scheme for the Proposed Non-public Issuance of A Shares within the scope permitted by the laws, regulations and rules of the CSRC and the Articles of Association according to the requirements of the regulatory authorities as well as the actual situations of the Company, including but not limited to formulating detailed offering terms, determining the timing of offering, funds to be raised, offering price, offering size, subscription targets, specific account for the proceeds, use of proceeds, the listing of the underlying shares and all the other matters related to the formulation and implementation of the offering scheme for the Proposed Non-public Issuance of A Shares before offering;
- (ii) To engage the intermediary institution for the Proposed Non-public Issuance of A Shares, sign the engagement agreement and handle other matters related thereto;
- (iii) To prepare, modify and submit the application materials related to the Proposed Non-public Issuance of A Shares according to the relevant laws and regulations, the requirements, opinions and suggestions of domestic and foreign securities regulatory authorities, as well as the actual situation, and handle the relevant information disclosure matters according to the regulatory requirements;
- (iv) To amend, supplement, execute and implement the agreements and documents in relation to the Proposed Non-public Issuance of A Shares (including but not limited to the share subscription agreements, underwriting and sponsorship agreements, agreements, circulars, announcements and other disclosure documents related to the raising of funds);

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- (v) To make corresponding revision, adjustment and supplement to the matters related to the Proposed Non-public Issuance of A Shares, such as the specific scheme and the use of proceeds within the scope permitted by the relevant laws and regulations according to the opinions of the regulatory authorities as well as the actual situations of the Company and the market (except for the matters that should be re-voted on by the general meeting or the board of directors according to the relevant laws and regulations, the Articles of Association and the requirements of the regulatory authorities) if there is any change to the policies of regulatory authorities on the Proposed Non-public Issuance of A Shares or the market conditions; and

- (vi) To take all necessary actions to determine/handle other matters related to the Proposed Non-public Issuance of A Shares under the permission of the relevant laws and regulations, including but not limited to developing, changing, approving, rectifying and confirming the offering scheme and all other conditions for the Proposed Non-public Issuance of A Shares, executing, entering into and/or delivering any document deemed necessary and desirable.

The proposal for the Proposed Non-Public Issuance of A Shares will be submitted by way of special resolution for the Shareholders' consideration and approval at the AGM (to be voted upon item by item).

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(6) Impact on the shareholding structure of the Company

As at the Latest Practicable Date, the total issued share capital of the Company is 1,651,126,531 Shares, which comprises 1,480,612,971 A Shares and 170,513,560 H Shares. The shareholding structure of the Company (i) as at the Latest Practicable Date, (ii) immediately after completion of the Proposed Non-public Issuance of A Shares and (iii) immediately after the completion of the Proposed Non-public Issuance of A Shares as adjusted by the Capitalization of Reserve is set out as follows:

Shareholder	Class of Shares	As at the Latest Practicable Date		Immediately after the completion of the Proposed Non-public Issuance of A Shares ⁽²⁾		Immediately after the completion of the Proposed Non-public Issuance of A Shares as adjusted by the Capitalization of Reserve ⁽³⁾	
		Number of Shares	Approximate percentage of the total issued share capital ⁽¹⁾ (%)	Number of Shares	Approximate percentage of the total issued share capital (%)	Number of Shares	Approximately percentage of the total issued share capital (%)
The Founding Individuals	A	452,703,276	27.42%	452,703,276	26.23%	633,784,586	26.23%
Sub total		452,703,276	27.42%	452,703,276	26.23%	633,784,586	26.23%
Public Shareholders	A	1,027,909,695	62.26%	1,102,909,695	63.90%	1,544,073,573	63.90%
	H	170,513,560	10.33%	170,513,560	9.88%	238,718,984	9.88%
Sub total		1,198,423,255	72.58%	1,273,423,255	73.77%	1,782,792,557	73.77%
Total		1,651,126,531	100.00%	1,726,126,531	100%	2,416,577,143	100%

Notes:

- (1) The approximate percentages of (i) the A Shares and (ii) the total issued share capital are rounded to the nearest two decimal places and may not add up to 100% due to rounding.
- (2) The number of Shares assumes that (i) the maximum of 75,000,000 A Shares are issued; and (ii) there is no other change in the total issued share capital of the Company from the Latest Practicable Date and up to completion of the Proposed Non-public Issuance of A Shares.
- (3) The number of Shares assumes that (i) the maximum of 105,000,000 A Shares are issued as adjusted by the Capitalization of Reserve; (ii) the Capitalization of Reserve is completed; and (iii) there is no other change in the total issued share capital of the Company from the Latest Practicable Date and up to completion of the Proposed Non-public Issuance of A Shares.

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The Company will continue to implement appropriate measures and mechanisms to ensure continual maintenance of the prescribed minimum public float of the Company, being 10% of the total issued share capital of the Company from time to time, as disclosed in the prospectus of the Company dated December 3, 2018.

(7) Reasons for the Proposed Non-public Issuance of A Shares

Attributable to the active investment in pharmaceutical sector, increasing applications for new drugs, advancement of scientific technology, reform in pharmaceutical policy and regulations, emerging number of biotech companies and other factors, pharmaceutical outsourcing service industries within and outside China continue to experience rapid growth with promising outlook. Driven by the favourable industry development, market demand increases significantly and enterprises offering one-stop services covering from drug discovery to commercialized production are able to leverage on their outstanding service quality and rich experience and secure more project orders. A majority of quality projects are concentrated in the hands of leading enterprises. The Company is an open-access platform with internationally leading capabilities and capacities, offering comprehensive and integrated laboratory research and production services from drug discovery, development and commercialization for pharmaceutical and medical device companies across the world. The Company's platform provides services covering research, development and production of chemical drugs and cell and gene therapy products, drugs and medical device testing and clinical research. As one of the few integrated end-to-end new drug R&D service platform in the world, the Company is able to satisfy the increasing and diversified demands from global customers.

During the course of development of new drug R&D project, the Company strives to continue to expand our service offering by executing the strategy from "follow the project" to "follow the molecule" in order to satisfy the increasing and diversified demands from global customers. The Company intends to improve the capability and capacity of its R&D services platform, and strengthen its service capacity for the whole industry chain, especially the CDMO/CMO segment, the discovery for small molecule drugs and drug analysis and testing services segment through the Proposed Non-public Issuance of A Shares. In addition, the Company intends to use the proceeds from the Proposed Non-public Issuance of A Shares to enhance the process development, improvement and production services to provide quality service to customers. The Proposed Non-public Issuance of A Shares will also strengthen the capital resources and improve the capital structure of the Company, providing solid support to the strategy of integrated end-to-end development.

The Directors are of the opinion that the Proposed Non-public Issuance of A Shares is in the interest of the Company and the Shareholders as a whole.

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24. FEASIBILITY REPORT

The Feasibility report, which was prepared in the Chinese language, was disclosed in the overseas regulatory announcement of the Company dated March 24, 2020. The full text of the English translation is set out in Appendix XV to this circular. In the event of any discrepancy between the English translation and the Chinese version of the document, the Chinese version shall prevail.

The proposal will be submitted, by way of special resolution, for the Shareholders' consideration and approval at the AGM.

25. REPORT ON THE USE OF PROCEEDS FROM PREVIOUS FUND RAISING

The "Report on the Use Of Proceeds from Previous Fund Raising", which was prepared in the Chinese language, was disclosed in the overseas regulatory announcement of the Company dated March 24, 2020. Details of resolution to be passed are set out in Appendix XVI to this circular. In the event of any discrepancy between the English translation and the Chinese version of the document, the Chinese version shall prevail.

The proposal will be submitted, by way of special resolution, for the Shareholders' consideration and approval at the AGM.

26. REMEDIAL MEASURES REGARDING DILUTION ON RETURNS FOR THE CURRENT PERIOD DUE TO THE PROPOSED NON-PUBLIC ISSUANCE OF A SHARES

The "Remedial Measures Regarding Dilution on Returns for the Current Period due to the Proposed Non-public Issuance of A Shares", which was prepared in the Chinese language, was disclosed in the overseas regulatory announcement of the Company dated March 24, 2020. Details of resolution to be passed are set out in Appendix XVII to this circular. In the event of any discrepancy between the English translation and the Chinese version of the document, the Chinese version shall prevail.

The proposal will be submitted, by way of ordinary resolution, for the Shareholders' consideration and approval at the AGM.

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27. SHAREHOLDERS' DIVIDEND AND RETURN PLAN (2020-2022)

The “Shareholders’ Dividend And Return Plan (2020-2022)”, which was prepared in the Chinese language, was disclosed in the overseas regulatory announcement of the Company dated March 24, 2020. Details of resolution to be passed are set out in Appendix XVIII to this circular. In the event of any discrepancy between the English translation and the Chinese version of the document, the Chinese version shall prevail.

The proposal will be submitted, by way of ordinary resolution, for the Shareholders’ consideration and approval at the AGM.

28. AUTHORIZATION TO THE PROPOSED NON-PUBLIC ISSUANCE OF A SHARES

The Board proposes to seek approval from the Shareholders at the AGM for the authorization to the Board, the Chairman and/or authorized persons of the Chairman to deal with all matters in connection with the Proposed Non-public Issuance of A Shares. The details of the authorization are set out in Appendix XIX to this circular.

The proposal will be submitted, by way of special resolution, for the Shareholders’ consideration and approval at the AGM.

29. NOTICE OF ANNUAL GENERAL MEETING OF 2019 AND THE FIRST H SHARE CLASS MEETING FOR 2020

The notices of the AGM and the H Share Class Meeting are set out on pages 193 to 207 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 AGM and the H Share Class Meeting in the manner prescribed under the Listing Rules.

Resolutions Nos. 13, 14 and 15 of the AGM relate to the re-election and elections for the candidates of Directors and Shareholder representative Supervisors. Pursuant to the requirements of the Articles of Association and the Company’s “Rules of Procedure for the Shareholders’ General Meetings”, cumulative voting system will be adopted for such resolutions. Pursuant to the requirement of Article 114 of the Articles of Association, cumulative voting system should be adopted for election of two or more Directors or Supervisors at Shareholders’ general meetings. Pursuant to the Company’s “Implementation Rules of Cumulative Voting System”, during the

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election of Directors and Shareholder representative Supervisors at the Shareholders' general meeting, each Share entitled to vote carries a number of voting rights equivalent to the number of Directors or Shareholder representative Supervisors to be elected. A Shareholder may freely allocate its/his/her votes among the candidates for Directors and Shareholder representative Supervisors, either to allocate to a number of persons, or to vote all in favor of one person. The election of independent Directors (i.e. independent non-executive Directors), non-independent Directors (i.e. executive Directors and non-executive Directors) and Shareholder representative Supervisors shall be carried out separately and the number of cumulative votes shall not be used repeatedly. Please fill in the voting intention on resolution when filling the "ways of cumulative voting" as indicated below:

- (i) In relation to Resolutions Nos. 13, 14 and 15 of the AGM, each Share held by a Shareholder will have the same number of voting rights which equals to the number of Directors or Shareholder representative Supervisors to be elected. For instance, if a Shareholder holds 1 million Shares and 7 executive Directors and non-executive Directors will be elected at this election, the aggregate number of votes which the Shareholder will have is 7 million (i.e. 1 million Shares x 7 = 7 million Shares) regarding Resolution No. 13; as 5 independent non-executive Directors will be elected at this election, the aggregate number of votes which the Shareholder will have is 5 million (i.e. 1 million Shares x 5 = 5 million Shares) regarding Resolution No. 14; as 2 Shareholder representative Supervisors will be elected at this election, the aggregate number of votes which the Shareholder will have is 2 million (i.e. 1 million Shares x 2 = 2 million Shares) regarding Resolution No. 15.
- (ii) Please fill in the sections entitled "Number of votes" with the number of votes the Shareholder intends to cast on each candidate of Director or Supervisor. Please note that the Shareholder may cast its/his/her votes which equal to the number of Shares held by the Shareholder on every candidate of Director or Shareholder representative Supervisor; the Shareholder may also cast all its/his/her votes which represent the total number of Shares held by the Shareholder multiplied by the total number of Directors or Shareholder representative Supervisors to be elected on one candidate; or cast its/his/her votes which represent the total or part of number of Shares held by the Shareholder multiplied by the total number of Directors or Shareholder representative Supervisors to be elected on certain candidates. For example, if a Shareholder holds 1 million Shares, the number of its/his/her votes regarding Resolution No. 13 is 7 million. The Shareholder may choose to cast the 7 million votes equally amongst the 7 candidates of Directors, or to cast all its/his/her votes on one single candidate, or to cast on candidate A with 4 million votes, to cast on candidate B with 2 million votes, to cast the remaining 1 million votes on candidate C, and not cast any vote on other candidates.

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- (iii) When the total votes, represented by the Shares held by the Shareholder multiplied by the number of Directors or Shareholder representative Supervisors to be elected, are used up after voting for a number of candidates, the Shareholder will no longer have votes for other candidates of Directors or Shareholder representative Supervisors. i.e. the total number of its/his/her votes cast on candidates of Directors or Shareholder representative Supervisors shall not exceed the aggregate number of votes to which the Shareholder is entitled.
- (iv) Please take special note that if the total votes cast by the Shareholder for some candidates of Directors or Shareholder representative Supervisors exceed the number of votes to which the Shareholder is entitled, all the votes cast will be void. If the total votes cast by the Shareholder for some candidates of Directors or Shareholder representative Supervisors are less than the number of votes to which the Shareholder is entitled, the votes are valid and the remaining votes will be regarded as abstention votes. For example, if a Shareholder holds 1 million Shares, the number of votes which the Shareholder will have regarding Resolution No. 13 is 7 million: (a) if the Shareholder fills in “Number of votes” under a particular candidate with “7 million Shares”, the Shareholder has used up all the votes to which it/he/she is entitled, which results in the Shareholder having no votes for the remaining 6 candidates. Should the Shareholder fill in the other columns under Resolution No. 13 with any number of Shares (other than “0”), all the votes on Resolution No. 13 will be void; or (b) if the Shareholder fills in “Number of votes” under candidate A with “2 million Shares” and fill in “Number of votes” under candidate B with “1 million Shares”, the 3 million votes cast by the Shareholder are valid and the remaining 4 million votes will be regarded as abstention votes.
- (v) The seniority of candidates shall be determined by the number of votes provided that the number of directors and supervisors elected shall not be more than the number of vacancies. Candidates who have obtained more than half of the total cumulative effective votes of voting shareholders shall be elected. If the number of candidates who have obtained more than half of the total cumulative effective votes of voting shareholders exceeds the number of vacancies and two or more of such candidates obtaining the same number of votes, the candidates shall be elected based on their seniority over others. Candidates who have obtained the same number of votes shall only be elected through re-election with their seniority determined by the total number of votes. Where the number of elected Directors or Supervisors in the first round of cumulative voting is less than the number of Directors or Shareholder representative Supervisors proposed to be elected, new rounds of voting are required to be held for election of those Directors or Supervisors who do not have enough votes.

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- (vi) When holding a new round of voting for Director or Shareholders representative Supervisor election in accordance with (v) above, the number of cumulative votes of Shareholders shall be recounted based on the number of candidates to be elected in each round of election.

Two forms of proxy for use at the AGM and the H Share Class Meeting are enclosed with this circular and such forms of proxy are also published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.wuxiapptec.com.cn). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, 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 at the Company's H Share Registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 24 hours before the time appointed for the AGM and the H Share Class Meeting (i.e. not later than 2:00 p.m. on Thursday, May 14, 2020 (Hong Kong time)) or the adjourned meeting (as the case may be). Completion and delivery of the forms of proxy will not preclude you from attending and voting at the AGM and/or and the H Share Class Meeting if you so wish.

30. RECOMMENDATION

The Directors consider that all of the resolutions mentioned above are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions at the AGM and the H Share Class Meeting.

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

WUXI APPTec Co., Ltd.**Work Report of the Board of Directors for the Year 2019**

WuXi AppTec Co., Ltd. (the “Company”) provides comprehensive and integrated new drug R&D and production services for the global biomedical industry. By enabling global pharmaceutical, biotechnology, and medical device companies, the Company is committed to advancing the development of new drugs that lead to groundbreaking treatments for patients. Shouldering the mission of research and committed to serving customers, the Company can help customers improve the efficiency of research and development through cost-effective and efficient research and development services, which cover chemical drug research and production, cell and gene therapy research and development and production, medical device testing and other fields.

The Company’s operation status in 2019, the works of the Board of Directors in 2019 and the work plan for 2020 are reported below:

I. The Company’s operation status in 2019

In 2019, under the leadership of the Company’s management and the active efforts of all employees, the Company achieved gratifying results in 2019. In 2019, the Company realized annual operating income of RMB12,872.2064 million, with year-on-year growth of 33.89%; realized a net profit attributable to the parent company of RMB1,854.5509 million, which decreased 17.96% year on year; and a net profit attributable to the parent company after deducting non-recurring gains and losses of RMB1,914.2833 million, up 22.82% year on year.

During the Reporting Period, the Company had more than 1,200 new customers and more than 3,900 active customers. Thanks to the continuous increase in the business volume of the existing customers and the continuous development of new customers, the Company’s business in each sector has maintained a good momentum of development. The Company realized the operating income of RMB12,872.2064 million, representing a year-on-year growth of 33.89%. The revenue from laboratory services in China was RMB6,473.2142 million, with a year-on-year growth of 26.59%. The revenue from the CDMO/CMO services was RMB3,752.0545 million, with year-on-year growth of RMB39.02%. The revenue from laboratory services in the United States was RMB1,562.9284 million, with a year-on-year growth of RMB29.79%. The revenue from clinical research and other CRO services was RMB1,062.7904 million, with a year-on-year growth of 81.79%.

II. Review of the main works of the Board of Directors in 2019**(I) Conscientiously performing the obligations of the Board of Directors, and giving full play to the decision-making power of the board on major issues**

The Board of Directors of the Company earnestly performed its obligations, legally examined the key issues in the operation and development of the Company and prudently made decisions in accordance with the Company Law of the People's Republic of China (“**the Company Law**”), the Securities Law of the People's Republic of China, the Governance Guidelines for Listed Companies and other relevant laws and regulations, the listing rules of the stock exchange where the Company's shares are listed, and the internal rules and management systems of the Company, including the Articles of Association.

In 2019, the Board of Directors held 12 meetings and considered 60 proposals, detailed as follows:

No.	Name of Meeting	Date of Meeting	Agenda
1.	The 26th Meeting of the First Board of Directors	January 18, 2019	1. Proposal on Appointment of CFO
2.	The 27th Meeting of the First Board of Directors of the Company	March 10, 2019	1. Proposal on Delisting Majority-owned Subsidiaries of the Company from NEEQ
3.	The 28th Meeting of the First Board of Directors and the Annual Board Meeting for 2018	March 22, 2019	1. Work Report of Board of Directors of Wuxi Apptec Co., Ltd. for 2018 2. Work Report of President (CEO) of WuXi AppTec Co., Ltd. for 2018 3. Annual Report of WuXi AppTec Co., Ltd. for 2018 4. Summary of Annual Report of WuXi AppTec Co., Ltd. for 2018

No.	Name of Meeting	Date of Meeting	Agenda
			<ol style="list-style-type: none"><li data-bbox="879 306 1396 378">5. Announcement of Annual Results of WuXi AppTec Co., Ltd. for 2018<li data-bbox="879 421 1396 493">6. Final Account Report of WuXi AppTec Co., Ltd. for 2018<li data-bbox="879 536 1396 608">7. Proposal on Profit Distribution Scheme of the Company for 2018<li data-bbox="879 651 1396 766">8. Special Report of WuXi AppTec Co., Ltd. on Deposit and Actual Use of the Funds Raised in 2018<li data-bbox="879 808 1396 880">9. Proposal on the Company's External Guarantee Quota in 2019<li data-bbox="879 923 1396 1068">10. Proposal on the Grant of general mandate by the General Meeting to the Board of Directors for Additional Issue of A-shares and/or H-shares<li data-bbox="879 1110 1396 1255">11. Proposal on the Grant of general mandate by the General Meeting to the Board of Directors to Repurchase A-shares and/or H-shares<li data-bbox="879 1298 1396 1455">12. Proposal on the Grant of Mandate by the General Meeting to the Board of Directors to Issue Debt Financing Instruments Home and Abroad

No.	Name of Meeting	Date of Meeting	Agenda
			<ol style="list-style-type: none"><li data-bbox="890 306 1396 378">13. Social Responsibility Report of WuXi AppTec Co., Ltd. for 2018<li data-bbox="890 421 1396 493">14. Proposal on Remunerations for Directors of the Company<li data-bbox="890 536 1396 608">15. Proposal on Remunerations for Senior Management of the Company<li data-bbox="890 651 1396 766">16. Proposal on the Renewal of the Engagement of Domestic Accounting Firms in 2019<li data-bbox="890 808 1396 880">17. Proposal on the Engagement of Overseas Auditing Firms in 2019<li data-bbox="890 923 1396 995">18. Announcement of Change in Accounting Policies of the Company<li data-bbox="890 1038 1396 1072">19. Proposal on Asset Write-off<li data-bbox="890 1115 1396 1268">20. Proposal on the Verification of the Amount of Foreign Exchange Hedging Business Carried Out by the Company in 2019<li data-bbox="890 1310 1396 1383">21. Proposal on the Increase of Registered Capital of the Company<li data-bbox="890 1425 1396 1498">22. Proposal on Expansion of Business Scope of the Company<li data-bbox="890 1540 1396 1655">23. Proposal on Revising Articles of Association and Making Industrial and Commercial Change Registration

No.	Name of Meeting	Date of Meeting	Agenda
			<p>24. Proposal on Revising Rules of Procedures of General Meeting of WuXi AppTec Co., Ltd.</p> <p>25. Proposal on Revising Rules of Procedures of Board of Directors of WuXi AppTec Co., Ltd.</p> <p>26. Proposal on Revising Measures on Management of Raised Funds of WuXi AppTec Co., Ltd.</p> <p>27. Proposal on the Adjustment of Use of Idle Raised Funds and Own Funds for Meeting Cash Management Limit</p> <p>28. Proposal on Repurchase and Cancellation of Some Restricted Stock Issued under the Restricted Stock and Stock Option Incentive Plan in 2018</p> <p>29. Proposal on Holding the Annual General Meeting for 2018, the First Class Meeting of A-shares for 2019 and the First Class Meeting of H-shares for 2019 of WuXi AppTec Co., Ltd.</p>

No.	Name of Meeting	Date of Meeting	Agenda
4.	The 29th Meeting of the First Board of Directors	April 17, 2019	<ol style="list-style-type: none"> 1. Proposal on the Acquisition of Minority Shares and Related Transactions of Majority-owned Subsidiaries 2. Proposal on Increasing Capital Contribution to Subsidiaries
5.	The 30th Meeting of the First Board of Directors	April 29, 2019	<ol style="list-style-type: none"> 1. Q1 Report of WuXi AppTec Co., Ltd. for 2019
6.	The 31st Meeting of the First Board of Directors	June 19, 2019	<ol style="list-style-type: none"> 1. Proposal on the Issuance of H-share Convertible Corporate Bonds by the Company 2. Proposal on Authorizing the Relevant Person to Handle the Issues for H-share Convertible Corporate Bonds with Full Authority
7.	The 32nd Meeting of the First Board of Directors	July 19, 2019	<ol style="list-style-type: none"> 1. Proposal on Adjusting the Amount of Reserved Interest under the Restricted Stock and Stock Option Incentive Plan for 2018 2. Proposal on Granting Reserved Interest to Incentive Targets 3. Proposal on Deliberating the Restricted Stock and Stock Option Incentive Plan for 2019 of WuXi AppTec Co., Ltd. (Draft) and Its Summary 4. Proposal on Granting Restricted Stock for 2019 to Connected Persons 5. Proposal on Deliberating the Stock Appreciation Incentive Plan for 2019 of WuXi AppTec Co., Ltd. (Draft)

No.	Name of Meeting	Date of Meeting	Agenda
			<p>6. Proposal on Deliberating the Measures for Management of Appraisal for the Implementation of Restricted Stock and Stock Option Incentive Plan for 2019 of WuXi AppTec Co., Ltd.</p> <p>7. Proposal on Requesting the General Meeting to Authorize the Board of Directors to Handle the Affairs Related to the Equity Incentive Plan for 2019</p> <p>8. Proposal on the Change of Registered Capital of the Company</p> <p>9. Proposal on Change of Business Scope of the Company</p> <p>10. Proposal on Revising Articles of Association and Making Industrial and Commercial Change Registration</p> <p>11. Proposal on Adjusting the Number of Restricted Shares Repurchased by the Company and the Repurchase Price</p> <p>12. Proposal on Repurchase and Cancellation of Some Restricted Stock Issued under the Restricted Stock and Stock Option Incentive Plan in 2018</p> <p>13. Proposal on Holding the First Extraordinary General Meeting for 2019, the Second Class Meeting of A-shares for 2019 and the Second Class Meeting of H-shares for 2019 of WuXi AppTec Co., Ltd.</p>

No.	Name of Meeting	Date of Meeting	Agenda
8.	The 33rd Meeting of the First Board of Directors	August 19, 2019	<ol style="list-style-type: none"> 1. Interim Report of WuXi AppTec Co., Ltd. for 2019 2. Summary of Interim Report of WuXi AppTec Co., Ltd. for 2019 3. Announcement of Interim Results of WuXi AppTec Co., Ltd. for 2019 4. Interim Special Report of WuXi AppTec Co., Ltd. on Deposit and Actual Use of the Funds Raised in 2019 5. Proposal on Asset Write-off
9.	The 34th Meeting of the First Board of Directors	September 30, 2019	<ol style="list-style-type: none"> 1. Proposal on Granting Stock Appreciation Right to Incentive Targets 2. Proposal on Holding the Third Class Meeting of H-shares for 2019 of WuXi AppTec Co., Ltd.
10.	The 35th Meeting of the First Board of Directors	October 18, 2019	<ol style="list-style-type: none"> 1. Proposal on Outbound Investment and Connected Transactions
11.	The 36th Meeting of the First Board of Directors	October 30, 2019	<ol style="list-style-type: none"> 1. Q3 Report of WuXi AppTec Co., Ltd. for 2019

No.	Name of Meeting	Date of Meeting	Agenda
12.	The 37th Meeting of the First Board of Directors	November 25, 2019	<ol style="list-style-type: none"> 1. Proposal on Adjusting the List of Incentive Targets and Amount of Grant of Restricted Stock and Stock Option Incentive Plan in 2019 2. Proposal on Granting Restricted Stock and Stock Options to Incentives Targets for the First Time

(II) Submitting Major Issues to general meeting for deliberation and strictly implementing the relevant resolutions of the general meeting

The Board of Directors earnestly performed the obligations as the general meeting convener according to the Company Law and other relevant laws and regulations, listing rules of the stock exchange where the Company's shares are listed and the internal rules and management systems of the Company, including the Articles of Association.

In 2019, the Board of Directors convened 7 general meetings, as detailed below:

No.	Name of Meeting	Date of Meeting	Agenda
1	Annual general meeting for 2018	June 03, 2019	<ol style="list-style-type: none"> 1. Proposal on Work Report of Board of Directors for 2018 2. Proposal on Work Report of Board of Supervisors for 2018 3. Proposal on Annual Report and Report Summary of the Company for 2018 4. Proposal on Final Account Report for 2018 5. Proposal on Profit Distribution Scheme of the Company for 2018

No.	Name of Meeting	Date of Meeting	Agenda
			<ol style="list-style-type: none"><li data-bbox="879 306 1396 374">6. Proposal on the Company's External Guarantee Quota in 2019<li data-bbox="879 421 1396 566">7. Proposal on the Grant of general mandate by the General Meeting to the Board of Directors for Additional Issue of A-shares and/or H-shares<li data-bbox="879 612 1396 757">8. Proposal on the Grant of general mandate by the General Meeting to the Board of Directors to Repurchase A-shares and/or H-shares<li data-bbox="879 804 1396 949">9. Proposal on the Grant of Mandate by the General Meeting to the Board of Directors to Issue Debt Financing Instruments Home and Abroad<li data-bbox="879 995 1396 1064">10. Proposal on Remunerations for Directors of the Company<li data-bbox="879 1110 1396 1178">11. Proposal on Remunerations for Supervisors of the Company<li data-bbox="879 1225 1396 1332">12. Proposal on the Renewal of the Engagement of Domestic Accounting Firms in 2019<li data-bbox="879 1378 1396 1447">13. Proposal on the Engagement of Overseas Auditing Firms in 2019

No.	Name of Meeting	Date of Meeting	Agenda
			14. Proposal on the Verification of the Amount of Foreign Exchange Hedging Business Carried Out by the Company in 2019 15. Proposal on the Increase of Registered Capital of the Company 16. Proposal on Expansion of Business Scope of the Company 17. Proposal on Revising Articles of Association and Making Industrial and Commercial Change Registration 18. Proposal on Revising Rules of Procedures of General Meeting of WuXi AppTec Co., Ltd. 19. Proposal on Revising Rules of Procedures of Board of Directors of WuXi AppTec Co., Ltd. 20. Proposal on Revising Measures on Management of Raised Funds of WuXi AppTec Co., Ltd.
2	The First Class Meeting of A Shares for 2019	June 03, 2019	1. Proposal on Profit Distribution Scheme of the Company for 2018 2. Proposal on the Grant of general mandate by the General Meeting to the Board of Directors to Repurchase A-shares and/or H-shares

No.	Name of Meeting	Date of Meeting	Agenda
3	The First Class Meeting of H Shares for 2019	June 03, 2019	<ol style="list-style-type: none"> 1. Proposal on Profit Distribution Scheme of the Company for 2018 2. Proposal on the Grant of general mandate by the General Meeting to the Board of Directors to Repurchase A-shares and/or H-shares
4	The first extraordinary general meeting for 2019	September 20, 2019	<ol style="list-style-type: none"> 1. Proposal on Deliberating the Restricted Stock and Stock Option Incentive Plan for 2019 of WuXi AppTec Co., Ltd. (Draft) and Its Summary 2. Proposal on Granting Restricted Stock for 2019 to Connected Persons 3. Proposal on Deliberating the List of First-time Incentive Targets of the Restricted Stock and Stock Option Incentive Plan for 2019 of WuXi AppTec Co., Ltd. 4. Proposal on Deliberating the Stock Appreciation Incentive Plan for 2019 of WuXi AppTec Co., Ltd. (Draft) 5. Proposal on Deliberating the Measures for Management of Appraisal for the Implementation of Restricted Stock and Stock Option Incentive Plan for 2019 of WuXi AppTec Co., Ltd. 6. Proposal on Authorizing the Board of Directors to Handle the Affairs Related to the Equity Incentive Plan for 2019

No.	Name of Meeting	Date of Meeting	Agenda
			<ol style="list-style-type: none"> 7. Proposal on the Change of Registered Capital of the Company 8. Proposal on Change of Business Scope of the Company 9. Proposal on Revising Articles of Association and Making Industrial and Commercial Change Registration
5	The Second Class Meeting of A Shares for 2019	September 20, 2019	<ol style="list-style-type: none"> 1. Proposal on Deliberating the Restricted Stock and Stock Option Incentive Plan for 2019 of WuXi AppTec Co., Ltd. (Draft) and Its Summary 2. Proposal on Granting Restricted Stock for 2019 to Connected Persons 3. Proposal on Deliberating the List of First-time Incentive Targets of the Restricted Stock and Stock Option Incentive Plan for 2019 of WuXi AppTec Co., Ltd. 4. Proposal on Deliberating the Measures for Management of Appraisal for the Implementation of Restricted Stock and Stock Option Incentive Plan for 2019 of WuXi AppTec Co., Ltd. 5. Proposal on Authorizing the Board of Directors to Handle the Affairs Related to the Equity Incentive Plan for 2019

No.	Name of Meeting	Date of Meeting	Agenda
6	The Second Class Meeting of H Shares for 2019	September 20, 2019	<ol style="list-style-type: none"> 1. Proposal on Deliberating the Restricted Stock and Stock Option Incentive Plan for 2019 of WuXi AppTec Co., Ltd. (Draft) and Its Summary 2. Proposal on Granting Restricted Stock for 2019 to Connected Persons 3. Proposal on Deliberating the List of First-time Incentive Targets of the Restricted Stock and Stock Option Incentive Plan for 2019 of WuXi AppTec Co., Ltd. 4. Proposal on Deliberating the Measures for Management of Appraisal for the Implementation of Restricted Stock and Stock Option Incentive Plan for 2019 of WuXi AppTec Co., Ltd. 5. Proposal on Authorizing the Board of Directors to Handle the Affairs Related to the Equity Incentive Plan for 2019
7	The Third Class Meeting of H Shares for 2019	November 18, 2019	<ol style="list-style-type: none"> 1. Proposal on Approving and Adopting the List of Incentive Targets

The Board of Directors was able to strictly implement the resolutions adopted by the general meeting and fully implement the resolutions.

(III) Performance of duties by Independent Directors of the Company

Independent directors of the Company, Mr. Jiangnan Cai, Ms. Yan Liu, Mr. Hetong Lou, Mr. Xiaotong Zhang and Mr. Dai Feng, put forward constructive suggestions on major decisions such as the operation in compliance and operation management of the Company, and paid full attention to the financial position and connected transactions of the Company in 2019. They have played an important role in promoting the establishment of the basic management system of the Board of Directors, and the standardized and scientific decision-making and overall operation.

(IV) Further improving the corporate governance structure of the Company

To meet the regulatory requirements on listing of A-shares and H-shares, the Board of Directors has, based on the Company Law and other relevant laws and regulations, listing rules of the stock exchange where the Company's shares are listed and the internal rules and management systems of the Company, including the Articles of Association, vigorously promoted the improvement of corporate governance structure, and improved internal control, in order to ensure the scientific decision-making for key issues and the sustainability of corporate development, and effectively safeguard the interests of the Company and the shareholders.

III. The Work Plan of the Board of Directors for 2020

In 2020, fully aware of the severity of the economic situation and hidden opportunities under the complex economic situation, the board of directors will be more diligent, responsible, standardized and effective in performing our duties, unswervingly implement our development strategies, actively enhance our competitive strength, and improve our corporate governance structure, in order to reward our investors with better business results.

WUXI APPTec CO., LTD.

Work Report of the Supervisory Committee for 2019

In 2019, all the members of the Supervisory Committee of WuXi AppTec Co., Ltd. (the “**Company**”) actively and conscientiously performed their duties, effectively supervised the Company’s operation, financial position, and the legal compliance of Directors and senior managers in performing their duties, thus promoting the improvement of corporate governance structure, and safeguarding the interests of the Company and all shareholders.

I. Major works of the Board of Supervisors in 2019*(I) Performance of daily works*

The Board of Supervisors of the Company earnestly performed its obligations in accordance with the Company Law of the People’s Republic of China (the “**Company Law**”), the Securities Law of the People’s Republic of China, the Governance Guidelines for Listed Companies and other relevant laws and regulations, the listing rules of the stock exchange where the Company’s shares are listed, and the internal rules and management systems of the Company, including Articles of Association of WuXi AppTec Co., Ltd. (the “**Articles of Association**”).

In 2019, the Board of Supervisors held 9 meetings and considered nearly 34 proposals, detailed as follows:

No.	Name of Meeting	Date of Meeting	Agenda
1.	The 17th Meeting of the First Board of Supervisors of the Company	March 22, 2019	<ol style="list-style-type: none"> 1. Proposal on Work Report of the Board of Supervisors for 2018 2. Proposal on Remunerations for Supervisors of the Company 3. Proposal on Annual Report, Report Summary and Results Announcement of the Company for 2018 4. Proposal on Final Account Report for 2018

No.	Name of Meeting	Date of Meeting	Agenda
			<p>5. Proposal on Profit Distribution Scheme of the Company for 2018</p> <p>6. Proposal on Special Report on Deposit and Actual Use of the Funds Raised in 2018</p> <p>7. Proposal on the Adjustment of Use of Idle Raised Funds and Own Funds for Meeting Cash Management Limit</p> <p>8. Proposal on the Company's External Guarantee Quota in 2019</p> <p>9. Proposal on the Grant of general mandate by the General Meeting to the Board of Directors for Additional Issue of A-shares and/or H-shares</p> <p>10. Proposal on the Grant of general mandate by the General Meeting to the Board of Directors to Repurchase A-shares and/or H-shares</p> <p>11. Proposal on the Grant of Mandate by the General Meeting to the Board of Directors to Issue Debt Financing Instruments Home and Abroad</p> <p>12. Proposal on 2018 Social Responsibility Report of the Company</p> <p>13. Proposal on Change in Accounting Policies of the Company</p> <p>14. Proposal on Asset Write-off</p> <p>15. Proposal on Repurchase and Cancellation of Some Restricted Stock Issued under the Restricted Stock and Stock Option Incentive Plan in 2018</p>

No.	Name of Meeting	Date of Meeting	Agenda
2.	The 18th Meeting of the First Board of Supervisors of the Company	April 17, 2019	1. Proposal on the Acquisition of Minority Shares and Related Transactions of Majority-owned Subsidiaries
3.	The 19th Meeting of the First Board of Supervisors of the Company	April 29, 2019	1. Q1 Report of WuXi AppTec Co., Ltd. for 2019
4.	The 20th Meeting of the First Board of Supervisors of the Company	July 19, 2019	1. Proposal on Adjusting the Amount of Reserved Interest under the Restricted Stock and Stock Option Incentive Plan for 2018 2. Proposal on Granting Reserved Interest to Incentive Targets 3. Proposal on Deliberating the Restricted Stock and Stock Option Incentive Plan for 2019 of WuXi AppTec Co., Ltd. (Draft) and Its Summary 4. Proposal on Granting Restricted Stock for 2019 to Connected Persons 5. Proposal on Deliberating the Stock Appreciation Incentive Plan for 2019 of WuXi AppTec Co., Ltd. (Draft) 6. Proposal on Deliberating the Measures for Management of Appraisal for the Implementation of Restricted Stock and Stock Option Incentive Plan for 2019 of WuXi AppTec Co., Ltd. 7. Proposal on Deliberating the List of First-time Incentive Targets of the Restricted Stock and Stock Option Incentive Plan for 2019 of WuXi AppTec Co., Ltd.

No.	Name of Meeting	Date of Meeting	Agenda
			8. Proposal on Adjusting the Number of Restricted Shares Repurchased by the Company and the Repurchase Price 9. Proposal on Repurchase and Cancellation of Some Restricted Stock Issued under the Restricted Stock and Stock Option Incentive Plan in 2018
5.	The 21st Meeting of the First Board of Supervisors of the Company	August 19, 2019	1. Proposal on Interim Report, Report Summary and Interim Results Announcement of the Company for 2019 2. Proposal on Interim Special Report on Deposit and Actual Use of the Funds Raised in 2019 3. Proposal on Asset Write-off
6.	The 22nd Meeting of the First Board of Supervisors of the Company	September 30, 2019	1. Proposal on Granting Stock Appreciation Right to Incentive Targets
7.	The 23rd Meeting of the First Board of Supervisors of the Company	October 18, 2019	1. Proposal on Outbound Investment and Connected Transactions
8.	The 24th Meeting of the First Board of Supervisors of the Company	October 30, 2019	1. Q3 Report of WuXi AppTec Co., Ltd. for 2019
9.	The 25th Meeting of the First Board of Supervisors of the Company	November 25, 2019	1. Proposal on Adjusting the List of Incentive Targets and Amount of Grant of Restricted Stock and Stock Option Incentive Plan in 2019 2. Proposal on Granting Restricted Stock and Stock Options to Incentives Targets for the First Time

(II) Independent Opinions

1. Independent opinions of the Board of Supervisors on the legal operation of the Company: The Board of Supervisors supervised the convening and holding procedures and the resolutions of general meetings, and the meetings of the board of Directors, as well as the implementation of the resolutions of the general meetings by the board of Directors according to the Company Law and other relevant laws and regulations, listing rules of the stock exchange where the Company's shares are listed and the internal rules and management systems of the Company, including the Articles of Association. The Board of Supervisors believe that the convening and holding procedures of the previous general meetings and meetings of board of Directors were in line with the applicable laws, the resolutions of the general meetings have been effectively implemented, the corporate governance structure has been further improved, the Directors have acted in compliance and made decisions prudently, the Directors and senior management are diligent, responsible, pragmatic and enterprising, and they have played an effective role in improving corporate governance, improving the effectiveness of corporate decision-making mechanism and safeguarding the interests of the Company and shareholders.
2. Independent opinions of the Board of Supervisors on the financial position of the Company: The Company's financial report for 2019 truly and comprehensively reflects the Company's financial position and business results. The standard unqualified audit report issued by Deloitte Touche Tohmatsu (a special general partnership) (德勤華永會計師事務所(特殊普通合夥)) and the analysis and evaluation of relevant important matters are objective and impartial.
3. Independent opinions of the Board of Supervisors on the asset acquisition and investment by the Company: In 2019, the Company acquired assets and made investment at a reasonable price. No insider trading, damage to the interests of some shareholders or loss of Company assets was found.
4. Independent opinions of the Board of Supervisors on the connected transactions of the Company: The price of the connected transaction in 2019 was determined on the basis of the market price through negotiation between the parties in accordance with the fair principle. The decision-making process and implementation of connected transactions were not detrimental to the interests of the Company and the shareholders who are not connected persons.
5. Independent opinions of the Board of Supervisors on the stock option incentive plan of the Company: The stock option incentive plan of the Company for 2019 was favorable to the sustainable development of the Company and was not detrimental to the interests of the Company and shareholders as a whole.

II. Work Plan of Supervisory Committee for 2020

In 2020, the Board of Supervisors will, based on the Company Law and other relevant laws and regulations, listing rules of the stock exchange where the Company's shares are listed and the internal rules and management systems of the Company, including the Articles of Association, continue to act diligently and responsibly and effectively supervise the Company's operation, financial position, the performance of the Directors and senior managers, and the operation of the internal control management system, so as to safeguard the interests of the Company and all shareholders.

WUXI APPTec CO., LTD.**Final Accounts Report for the Year 2019**

The Company's financial statements for 2019 have been audited by Deloitte Touche Tohmatsu (a special general partnership) (德勤華永會計師事務所(特殊普通合夥)). The financial statements for 2019 of WuXi AppTec Co., Ltd. ("the Company") and its subsidiaries are hereby reported as follows:

In 2019, the Company achieved robust business development, and further enhanced the budget management and centralized capital management. The financial operation of the Company continued to improve, and the costs and expenses were controlled within the budget. Cash flow was basically balanced, and overall profitability was further improved. The company has realized the steady growth of business development and economic benefits, and achieved the predefined economic indexes.

The Company's financial position, business results and cash flow status for 2019 have been audited by Deloitte Touche Tohmatsu (a special general partnership) (德勤華永會計師事務所(特殊普通合夥)), which has issued a standard unqualified audit report.

I. Operating status**(I) Operating income**

In 2019, operating income was RMB12.872 billion, representing an increase of 33.89% as compared with last year.

(II) Cost and expense**1. Operating costs**

In 2019, the company's operating cost was RMB7.858 billion, increased by 35.00% compared with the previous year. The operating cost accounted for 61.05% of the operating income, which increased by 0.50% compared with the previous year.

2. Tax and surcharge

In 2019, the Company paid tax and surcharge of RMB28 million, decreased by 1.41% compared with the previous year.

3. *Selling expenses*

In 2019, the Company's selling expense was RMB439 million, increased by 29.79% compared with the previous year.

4. *Administrative expenses*

In 2019, the Company's administrative expense was RMB1.482 billion, increased by 31.09% compared with the previous year.

5. *Financial expenses*

In 2019, the Company's net financial expense was RMB24 million, as compared to RMB56 million in the previous year.

(III) Profits

In 2019, the total profit of the Company was RMB2.337 billion, decreased by 9.45% compared with RMB2.581 billion in the previous year. The net profit attributable to owners of parent company was RMB1.855 billion, decreased by 17.96% compared with RMB2.261 billion in the previous year.

II. Financial positions

(I) Assets

The total amount of consolidated assets of the Company at the end of the period was RMB29.239 billion, representing an increase of 28.99% over RMB22.667 billion in the previous year. In which: Current assets amounted to RMB12.663 billion, accounting for 43.31% of the total assets; non-current assets amounted to RMB16.576 billion, accounting for 56.69% of the total assets.

The monetary fund was RMB5.227 billion, which was RMB533 million less than that at the beginning of the year, mainly consisting of RMB4.975 billion net outflow of investment cash flow, RMB2.916 billion net inflow of operating cash flow and RMB1.558 billion net inflow of cash flow from financing activities.

Other non-current financial assets amounted to RMB4.009 billion, with an increase of RMB1.930 billion compared with the beginning of the year, mainly due to the additional investment cost of RMB2.122 billion. The loss from fair value change was RMB180 million, a disposal cost of RMB48 million was paid and the exchange rate impact was RMB36 million.

The long-term equity investment was RMB794 million, with an increase of RMB138 million from the beginning of the year, mainly due to the new investment cost of RMB147 million, the investment loss of RMB21 million recognized based on total equity method, and the dividend of RMB11 million received from the affiliates.

The fixed assets amounted to RMB4.333 billion, with an increase of RMB842 million from the beginning of the year, mainly consisting of fixed assets of RMB383 million converted from Changzhou STA new drugs production and R&D centre project, fixed assets of RMB227 million converted from Tianjin chemistry laboratory upgrade project, and the purchased laboratory equipment of RMB530 million.

(II) Liabilities

The total liabilities at the end of 2019 were RMB11.829 billion, with an increase of RMB7.327 billion or 162.76% over the previous year. Among them, the current liabilities were RMB6.634 billion, accounting for 56.08% of the total liabilities; the non-current liabilities were RMB5.195 billion, accounting for 43.92% of the total liabilities.

Short-term borrowing amounted to RMB1.604 billion, with an increase of RMB1.484 billion compared with the beginning of the year, mainly due to the need for capital to supplement the working capital and invest in various projects.

Bonds payable amounted to RMB1.875 billion, with an increase of RMB1.875 billion from the beginning of the year, mainly due to the recognition of the zero-coupon convertible bonds issued in the current period.

Lease liability amounted to RMB1.105 billion, with an increase of RMB1.105 billion from the beginning of the year, mainly due to the recognition of the effect of the new lease standards adopted in the current period.

(III) Shareholders' equity

The shareholders' equity attributable to the parent company at the end of the period was RMB17.312 billion, with a decrease of RMB376 million from that of the previous year, mainly due to the acquisition of the minority interests of STA and the reduction of capital reserve by the difference between the consideration and the book value of net assets.

(IV) Cash Flows**1. Cash flows from operating activities**

Cash inflows from operating activities in the current period was RMB13.336 billion, in which, cash received from sales of goods and provision of services was RMB12.476 billion, accounting for 93.55% of the cash inflow from operating activities.

Cash outflows from operating activities in the current period was RMB10.420 billion, in which, cash paid for goods and services was RMB4.609 billion, accounting for 44.23% of the cash outflow from operating activities, and cash paid to and for employees was RMB4.305 billion, accounting for 41.31% of the cash outflow from operating activities.

Net cash inflow from operating activities was RMB2.916 billion, with an increase of RMB1.276 billion compared with RMB1.640 billion in the same period last year, mainly due to the Company's main business growth, timely collection and effective cost payment control.

2. Cash flows from investment activities

The cash inflow of investment activities was RMB689 million, mainly consisting of the proceeds from the redemption of bank financial products and the income received from investment.

The cash outflow from investment activities was RMB5.664 billion, mainly including the disbursement of RMB2.532 billion for the purchase of long-term assets, such as fixed assets, RMB2.347 billion for equity investment and RMB785 million for the acquisition of subsidiaries.

Net cash outflow from investment activities was RMB4.975 billion, with a decrease of RMB302 million compared with the net outflow of RMB5.277 billion in the same period of last year, mainly because the net cash inflow increased by RMB474 million in the current period due to the increase in the redemption of bank financial products compared with the previous period.

3. Cash flows from financing activities

The cash inflow from financing activities reached RMB5.697 billion, mainly including loans of RMB2.848 billion, which accounted for 49.99% of the cash inflow from financing activities; and the cash received from the issuance of convertible bonds of RMB2.079 billion, which accounted for 36.49% of the cash inflow from financing activities.

The cash outflow from financing activities amounted to RMB4.139 billion, mainly including RMB2.578 billion used for acquiring the minority interests of STA, which accounted for 62.29% of the outflow from financing activities; the cash of RMB730 million paid for the execution of the profit distribution scheme for 2018 and the repayment of interests, which accounted for 17.64% of the outflow from financing activities; and the cash of RMB417 million used to repay loans, which accounted for 10.07% of the outflow from financing activities.

The net cash inflow from financing activities was RMB1.558 billion, which was RMB5.426 billion less than the net cash inflow of RMB6.984 billion in the same period of last year. This year, the Company raised RMB308 million through over-allotment of H-shares and RMB2.079 billion by issuing convertible bonds, which was a decrease compared with RMB8.855 billion raised by listing on Shanghai Stock Exchange and Hong Kong Stock Exchange last year.

III. Key financial indexes

(I) Solvency indexes

Current ratio of the current period was 1.91, which was 1.23 lower than that of the previous year; the quick ratio was 1.63, which was 1.23 lower than that of the previous year. This is mainly due to the increase of short-term borrowing for operating cash disbursements by RMB1.484 billion, which led to the increase of current liabilities by 76.35%. As a result, the growth rate of liabilities was higher than that of assets, and the proportion of current assets or quick assets guarantee for each unit of current liabilities was reduced.

The asset-liability ratio was 40.46%, up 20.60% over the previous year, mainly because the asset-liability ratio increased due to the issuance of bonds for M&A projects and daily operations and the increase of the financial leverage in the capital structure.

(II) Profitability indexes

1. *Operating profit growth rate*

The operating profit growth rate of the current period was -9.43%, mainly due to the loss impact of the fair value change of the financial assets invested.

2. *Return on equity*

The return on equity was 10.98%, down 1.87% from the previous year, mainly due to the decrease of net profit by 18.09% from the previous year, which was driven by the loss of the fair value of the financial assets invested.

(III) Operating capacity indexes

Accounts receivable turnover rate: the accounts receivable turnover rate of the current period was 4.44 times, compared with 4.76 times in the same period of last year, delaying by 0.32 times, mainly because the accounts receivable recognized at the end of the year increased with the increase in revenue compared with the same period of last year.

Accounts payable turnover rate: the accounts payable turnover rate of the current period was 15.86 times, compared with 15.91 times in the same period of last year, delaying by 0.05 times, mainly because the payment progress was properly controlled.

Inventory turnover rate: the inventory turnover rate of the current period was 5.83 times, compared with 6.93 times in the same period of last year, delaying by 1.10 times, mainly because the materials were purchased at an appropriate price for production at the end of the year due to the continuous increase in the price of raw materials for laboratory use.

IV. Changes in accounting policies in the current period**New lease standards**

On December 7, 2018, the Ministry of Finance issued the Notice on the Revision and Issuance of the Accounting Standards for Business Enterprises No. 21 — Lease (Cai Kuai [2018] No. 35), requiring that the enterprises that are listed both at home and abroad and enterprises that are listed abroad and prepare their financial reports using IFRS or the Accounting Standards for Business Enterprises shall implement these standards as of January 1, 2019, and that other enterprises that implement the Accounting Standards for Business Enterprises shall implement these standards as of January 1, 2021. An enterprise whose parent company or subsidiary is listed overseas and whose overseas financial statements are prepared in accordance with IFRS or the Accounting Standards for Business Enterprises may implement these standards in advance, but no earlier than the date set out in the Accounting Standards for Business Enterprises No. 22 — Recognition and Measurement of Financial Instruments issued on March 31, 2017 and the Accounting Standards for Business Enterprises No. 14 — Income issued on July 5, 2017 by the Ministry of Finance.

In accordance with the above accounting treatment provisions and the revision of the standards, the management of the Company decided to implement the revised accounting standards from January 1, 2019 after careful consideration based on the Company's situation. Therefore, the original accounting policies shall be changed accordingly (“**the Change**”).

The Change was implemented as of January 1, 2019. The amounts of retained earnings and other relevant items in the financial statements of the first year for the implementation of these standards were adjusted based on the cumulative impact of the implementation of these standards, without adjusting the information of the comparable period.

Biographical details of the candidates proposed to be re-elected or elected as Directors as required under Rule 13.51(2) of the Listing Rules are set out as follows:

EXECUTIVE DIRECTORS

Dr. Ge Li (李革), aged 53, is the chairman, chief executive officer and an executive Director of the Company. He is also the chairperson of Strategy Committee and a member of Nomination Committee of the Company. Dr. Ge Li is primarily responsible for the overall management of the business of our Group. Dr. Ge Li founded our Group in December 2000 and he also serves as a director of most subsidiaries of our Company.

Dr. Ge Li has the following work experience:

- Since February 2014, he has been serving as a non-executive director and chairman of WuXi Biologics, a company listed on the Main Board of the Stock Exchange (stock code: 2269) and primarily engaged in the discovery, research, development and manufacturing of biological services, and has been responsible for providing overall guidance on the business, strategy, and corporate development.
- From December 2011 to August 2015, he served as an independent non-executive director of Shanghai Hile Bio-pharmaceutical Co., Ltd. (上海海利生物技術股份有限公司), a company listed on the Shanghai Stock Exchange (上海證券交易所) (stock code: 603718) and primarily engaged in the development, production and sales of animal vaccine, and was responsible for providing independent advice to its board of directors.
- From August 2007 to December 2015, he served as the chairman and the chief executive officer of WuXi PharmaTech, a company previously listed on NYSE and was responsible for its overall management.

Dr. Ge Li obtained a bachelor's degree in chemistry from Peking University in the PRC in July 1989. He also obtained a Ph.D. degree in organic chemistry from Columbia University in the United States in February 1994.

Dr. Ge Li is the spouse to Dr. Ning Zhao.

Pursuant to the letter of appointment entered into between the Company and Dr. Ge Li dated November 26, 2018, the term of office with the Company is 3 years since March 1, 2017, until the expiry of the first session of the Board. Upon the expiry of the term of office, the appointment will automatically be extended to a new term of office upon re-election. Directors' remuneration shall be determined by the Remuneration and Appraisal Committee upon the Shareholders' approval and authorization at the AGM.

As at the Latest Practicable Date, Dr. Ge Li was interested in 452,703,276 A Shares within the meaning of Part XV of the SFO.

Mr. Edward Hu (胡正國), aged 57, is the co-chief executive officer and an executive Director of our Company. He is also a member of Strategy Committee of the Company. Mr. Edward Hu is primarily responsible for the overall business and management of our Group. He joined our Group in August 2007 and was appointed as an executive Director in March 2017. Mr. Edward Hu was appointed as a co-chief executive officer in August 2018. He served as the chief financial officer from March 2016 to January 2019. He also serves as a director of most subsidiaries of our Company.

Mr. Edward Hu has the following work experience:

- Since May 2018, he has been serving as a director of Viela Bio Inc., a company listed on NASDAQ (stock code: VIE) since October 2019.
- Since February 2014, he has been serving as a non-executive director of WuXi Biologics, a company listed on the Main Board of the Stock Exchange (stock code: 2269) and has been primarily responsible for providing guidance on the business strategy and financial management.
- From August 2007 to December 2015, he served as the chief financial officer and chief operating officer of WuXi PharmaTech, a company previously listed on NYSE and was responsible for the financial and operational management.
- From October 2000 to July 2007, he served on various roles to become a senior vice president and chief operating officer of Tanox Inc., a biopharmaceutical company previously listed on NASDAQ (stock code: TNOX, acquired by Genentech Inc. in August 2007) and primarily engaged in discovering and developing antibody therapeutic drugs, and was responsible for company operations, quality control, finance and information technology.

- From April 1998 to October 2000, he served as a business planning manager of Biogen Inc., a global biotechnology company listed on NASDAQ (stock code: BIIB) which primarily engaged in developing, marketing and sales of biopharmaceuticals for neurologic and immune diseases, and he was responsible for business planning and budget management of its research and development division.
- From May 1996 to December 1998, he served as a senior financial analyst of Merck, and was responsible for financial planning and analysis.

Mr. Edward Hu obtained a bachelor's degree in physics from Hangzhou University, currently known as Zhejiang University (浙江大學), in the PRC in July 1983. He also obtained a master's degree in chemistry and a master's degree of business administration from Carnegie Mellon University in the United States in May 1993 and May 1996, respectively.

Pursuant to the letter of appointment entered into between the Company and Mr. Edward Hu dated November 26, 2018, the term of office with the Company is 3 years since March 1, 2017 until the expiry or the first session of the Board. Upon the expiry of the term of office, the appointment will automatically be extended to a new term of office upon re-election. Directors' remuneration shall be determined by the Remuneration and Appraisal Committee upon the Shareholders' approval and authorization at the AGM.

As at the Latest Practicable Date, Mr. Edward Hu was personally interested in 252,400 Restricted A Shares and was deemed interests in 38,400 Restricted A Shares held by his spouse, Ms. Hu Wendy Junwen within the meaning of Part XV of the SFO.

Mr. Zhaohui Zhang (張朝暉), aged 50, is an executive Director and a vice president of our Company. He is primarily responsible for the business development of our Group. Mr. Zhaohui Zhang founded our Group in December 2000.

Mr. Zhaohui Zhang has the following work experience:

- Since December 2015, he has been serving as a director and senior vice president of operation of our Company.
- From August 2007 to December 2015, he served as a director and senior vice president of operation of WuXi PharmaTech, a company previously listed on NYSE.
- From December 2000 to July 2007, he served as a director and vice president of domestic marketing of our Company.

- In around 2000, he served as the chief executive officer of Wuxi Qingye Investment Consultancy Limited (無錫青葉企業投資諮詢有限責任公司).

Mr. Zhaohui Zhang obtained a bachelor's degree in mechanical and electrical engineering from Jiangnan University (江南大學) in the PRC in 1990 and a master's degree in business administration from China Europe International Business School in the PRC in 2008.

Pursuant to the letter of appointment entered between the Company and Mr. Zhaohui Zhang dated November 26, 2018, the term of office with the Company is 3 years since March 1, 2017 until the expiry of the first session of the Board. Upon the expiry of the term of office, the appointment will automatically be extended to a new term of office upon re-election. Directors' remuneration shall be determined by the Remuneration and Appraisal Committee upon the Shareholders' approval and authorization at the AGM.

As at the Latest Practicable Date, Mr. Zhaohui Zhang was interested in 452,703,276 A Shares within the meaning of Part XV of the SFO.

Dr. Ning Zhao (趙寧), aged 53, is an executive Director and a vice president of our Company. She is also a member of Remuneration and Appraisal Committee of the Company. Dr. Ning Zhao is primarily responsible for the global human resources management and corporate strategy of our Group. She joined our Group in March 2004.

Dr. Ning Zhao has the following work experience:

- Since February 2011, she has been serving as a senior vice president of operations, global head of human resources of our Company.
- From February 2009 to December 2015, she served as a director of WuXi PharmaTech, a company previously listed on NYSE.
- From February 2008 to February 2011, she served as the lead advisor of analytical services operations of our Company.
- From March 2004 to February 2008, she served as a vice president of analytical services of our Company.
- Between the 1990s and the 2000s, she worked as a research and development supervisor at Wyeth Pharmaceuticals, Inc., Pharmacopeia Inc. and Bristol-Myers Squibb Co. with various research papers published.

Dr. Ning Zhao obtained a bachelor's degree in chemistry from Peking University in the PRC in July 1989. She also obtained a Ph.D. degree from Columbia University in the United States in the 1990s.

Dr. Ning Zhao is the spouse of Dr. Ge Li.

Pursuant to the letter of appointment entered into between the Company and Dr. Ning Zhao dated November 26, 2018, the term of office with the Company is 3 years since March 1, 2017 until the expiry of the first session of the Board. Upon the expiry of the term of office, the appointment will automatically be extended to a new term of office upon re-election. Directors' remuneration shall be determined by the Remuneration and Appraisal Committee upon the Shareholders' approval and authorization at the AGM.

As at the Latest Practicable Date, Dr. Ning Zhao was interested in 452,703,276 A Shares within the meaning of Part XV of the SFO.

Dr. Steve Qing Yang

Dr. Steve Qing Yang (楊青), aged 51, is a vice president of our Company. He is primarily responsible for our commercial operation and research services of our Group. Dr. Steve Qing Yang joined our Group in April 2014.

Dr. Steve Qing Yang has the following work experience:

- Since December 2015, he has been serving as an executive vice president and chief business officer at our Company.
- From April 2014 to December 2015, he served as a vice president, chief operating officer, chief business officer and chief strategy officer at WuXi PharmaTech, a company previously listed on NYSE.
- Prior to joining our Group, he served as a vice president and the head of Asia and Emerging Markets iMed of AstraZeneca (阿斯利康製藥公司) in the United Kingdom, a company listed on the NYSE (stock code: AZR).

- He joined Pfizer Inc. in the U.S., a company listed on the NYSE (stock code: PFE) in November 2001. From November 2001 to August 2006, he served as the executive director and head of global research and development. From September 2006 to December 2010, he served as the head of Asia R&D and the vice president of global research and development.

Dr. Steve Qing Yang obtained a bachelor's degree from Michigan Technological University in the United States in June 1991 and a Ph.D. degree from University of California, San Francisco in the United States in 1997.

Dr. Steve Qing Yang will enter into a letter of appointment with the Company. Directors' remuneration shall be determined by the Remuneration and Appraisal Committee upon the Shareholders' approval and authorization at the AGM.

As at the Latest Practicable Date, Dr. Steve Qing Yang was interested in 205,720 Restricted A Shares within the meaning of Part XV of the SFO.

NON-EXECUTIVE DIRECTORS

Mr. Xiaomeng Tong (童小幪), aged 46, is a non-executive Director of our Company. He is also a member of Strategy Committee of the Company. Mr. Xiaomeng Tong is primarily responsible for providing guidance on corporate strategy and governance to our Group. He joined our Group in March 2016.

Mr. Xiaomeng Tong has the following work experience:

- From February 2018 to May 2019, he served as non-executive director of CStone Pharmaceuticals (基石藥業有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 2616).
- From June 2015 to January 2020, he served as a director of Guangzhou Kingmed Diagnostics Group Co., Ltd (廣州金域醫學檢驗集團股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 603882).
- Since June 2014, he has been serving as an independent non-executive director of Alibaba Pictures Group Limited (阿里巴巴影業集團有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 01060).

- Since May 2011, he has been serving as a managing partner of Boyu Capital Advisory Co. Limited (博裕投資顧問).
- From October 2008 to April 2011, he served as a managing director and head of Greater China District of Providence Equity Partners, where he headed its Greater China District practice.
- From July 2000 to September 2008, he served as a managing director and joint head of Greater China District of General Atlantic, where he co-headed its Greater China practice.

Mr. Xiaomeng Tong obtained a bachelor's degree in economics from Harvard University in the United States in June 1998.

Pursuant to the letter of appointment entered into between the Company and Mr. Xiaomeng Tong dated November 26, 2018, the term of office took effect on March 1, 2017 and until the expiry of the first session of the Board. Upon the expiry of the term of office, the appointment will automatically be extended to a new term of office upon re-election. He is not entitled to any director's fee.

Dr. Yibing Wu (吳亦兵), aged 52, is a non-executive Director of our Company. He is also a member of Strategy Committee of the Company. Dr. Yibing Wu is primarily responsible for providing guidance on corporate strategy and governance to our Group. He joined our Group in March 2016.

Dr. Yibing Wu has the following work experience:

- Since May 2016, he has been serving as a non-executive Director of WuXi Biologics, a company listed on the Main Board of the Stock Exchange (stock code: 2269) and has been responsible for providing guidance on corporate strategy and governance.
- Since November 2015, he has been serving as a director of Summer Bloom Investments Pte. Ltd.
- Since January 2014, he has been serving as a director and general manager of Temasek Holdings Advisors (Beijing) Co., Ltd.

- Since October 2013, he has been working with Temasek International Pte. Ltd. and is currently the senior managing director, the joint head of Enterprise Development Group and the head of China.
- From January 2012 to September 2013, he served as the president of CITIC Goldstone Investment Co. Ltd.
- From April 2011 to April 2014, he served as a director of Neptune Orient Lines Limited, a company listed on the Singapore Exchange Limited (stock code: RE2).
- From December 2009 to September 2013, he served as the president of CITIC Private Equity Funds Management Co., Ltd.
- From May 2009 to July 2013, he served as a non-executive director of Lenovo Group Limited, a company listed on the Main Board of the Stock Exchange (stock code: 0992).
- From September 2008 to November 2009, he served as the standing vice president of Legend Holdings Co., Ltd.
- From August 2004 to August 2008, he was seconded from McKinsey & Company as the chief strategy officer, chief integration officer, chief transformation officer and chief information officer of Lenovo Group Ltd.
- From September 1996 to August 2008, he worked with McKinsey & Company, where he was a senior partner, senior director, and the head of Asia Pacific M&A practice and general manager of Beijing office.

Dr. Yibing Wu obtained a bachelor's degree in molecular biology from University of Science and Technology of China (中國科學技術大學) in the PRC in July 1989 and a Ph.D. degree in biochemistry and molecular biology from Harvard University in the United States in June 1996.

Pursuant to the letter of appointment entered into between the Company and Dr. Yibing Wu dated November 26, 2018, the term of office took effect on March 1, 2017 and until the expiry of the first session of the Board. Upon the expiry of the term of office, the appointment will automatically be extended to a new term of office upon re-election. He is not entitled to any director's fee.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Jiangnan Cai (蔡江南), aged 62, is an independent non-executive Director of our Company. He is also the chairperson of Nomination Committee and a member of Strategy Committee of the Company. He is primarily responsible for supervising and providing independent judgement to our Board. Dr. Jiangnan Cai was appointed as our independent non-executive Director in March 2017.

Dr. Jiangnan Cai has the following work experience:

- Since January 2020, he has been serving as a Chairman of the Academy of China Healthcare Innovation Platform (CHIPA) (a not-for-profit think-tank).
- Since November 2019, he has been serving as an independent director of Beta Pharmaceuticals Co., Ltd. (貝達藥業), a company listed on the Shenzhen Stock Exchange (stock code: 300558) and has been responsible for supervising and providing independent judgment to the board of the Company.
- Since June 2016, he has been serving as an independent non-executive director of Shanghai Pharmaceuticals Holding Co., Ltd. (上海醫藥集團股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 601607) and the Main Board of the Stock Exchange (stock code: 2607) and has been responsible for supervising and providing independent judgement to the board of the company.
- Since March 2015, he has been serving as a non-executive director of Harmonicare Medical Holdings Limited (和美醫療控股有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 1509) and has been responsible for supervising and providing independent judgement to the board of the company.
- Since May 2014, he has been serving as an independent director of Zhejiang DIAN Diagnostics Co., Ltd. (浙江迪安診斷技術股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 300244) and has been responsible for supervising and providing independent judgement to the board of the company.
- From April 2012 to December 2019, he served as a part-time professor in economics and the director of Center for Healthcare Management and Policy of the China Europe International Business School (中歐國際工商學院衛生管理與政策研究中心).

- From April 1999 to June 2012, he served as a human services program planner, reimbursement analyst and contracted program coordinator at the Center for Health Information and Analysis at Massachusetts.
- From July 1987 to December 1990, he served as a lecturer and the director of the Institute of Economic Development in East China University of Science and Technology (華東理工大學經濟研究所).

Dr. Jiangnan Cai obtained a master's degree in economics from Fudan University (復旦大學) in February 1985 and a doctorate degree in health policy from Brandeis University in the United States in February 1997.

Pursuant to the letter of appointment entered into between the Company and Dr. Jiangnan Cai dated November 26, 2018, the term of office took effect on March 1, 2017 and until the expiry of the first session of the Board. Upon the expiry of the term of office, the appointment will automatically be extended to a new term of office upon re-election. Directors' remuneration shall be determined by the Remuneration and Appraisal Committee upon the Shareholders' approval and authorization at the AGM.

Ms. Yan Liu (劉艷), aged 47, is an independent non-executive Director of the Company. She is also the chairperson of Remuneration and Appraisal Committee and a member of Audit Committee as well as Nomination Committee of the Company. Ms. Yan Liu is primarily responsible for supervising and providing independent judgement to our Board. She was appointed as our independent non-executive Director in March 2017.

Ms. Yan Liu has the following work experience:

- Since December 2016, she has been serving as an independent director of Huatai Securities Co., Ltd (華泰證券股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 601688) and the Main Board of the Stock Exchange (stock code: 6886) which primarily engaged in providing financial services in mainland China and internationally, and she has been responsible for providing independent judgement to the board of the company.
- From September 2016 to May 2019, she served as an independent director of Yantai Changyu Pioneer Wine Co., Ltd (煙台張裕葡萄酒股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 000869, 200869) which primarily engaged in the production and sale of wine and alcoholic beverages, and she had been responsible for providing independent judgement to the board of the company.

- Since August 2014, she has been serving as an independent director of Huaxin Cement Co., Ltd (華新水泥股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600801) and primarily engaged in production and sale of cements and concretes, and has been responsible for providing independent judgement to the board of the company.
- She joined Beijing Tian Yuan Law Firm (北京市天元律師事務所) in October 1995 and is currently a partner of the firm.

Ms. Yan Liu obtained a bachelor's and master's degree in law from Peking University Law School (北京大學法學院) in the PRC in July 1995 and July 1998, respectively. She also obtained a master's degree in law from New York University Law School in the United States in May 2000.

Pursuant to the letter of appointment entered into between the Company and Ms. Yan Liu dated November 26, 2018, the term of office took effect on March 17, 2017 and until the expiry of the first session of the Board. Upon the expiry of the term of office, the appointment will automatically extended to a new term of office upon re-election. Directors' remuneration shall be determined by the Remuneration and Appraisal Committee upon the Shareholders' approval and authorization at the AGM.

Mr. Dai Feng (馮岱), aged 44, is an independent non-executive Director of our Company. He is primarily responsible for supervising and providing independent judgement to our Board. Mr. Dai Feng was elected as our independent non-executive Director in August 2018 and such appointment was effective from December 13, 2018.

Mr. Dai Feng has the following work experience:

- Since February 2018, he has been serving as a director of The Forsyth Institute (Harvard Dental School Affiliate) (哈佛大學牙科學院附屬研究院).
- Since December 2017, he has been serving as an independent non-executive director of Sling Group Holdings Limited (stock code: 8285), a company listed on the GEM of the Stock Exchange and a women's handbag company.
- Since March 2015, he has been serving as the managing director of CareCapital Advisors Limited (松柏投資管理(香港)有限公司), a company principally engaged in management advisory, and has been responsible for advising on business development and organizational management, with a focus on the dental industry.

- From December 2007 to December 2010 and from March 2012 to December 2013, he served as a director of Lepu Medical Technology (Beijing) Co., Ltd. (樂普(北京)醫療器械股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 300003).
- From April 2004 to December 2014, he has served at various positions, including manager, principal and managing director at Warburg Pincus Asia LLC, a company principally engaged in investment advisory.
- Mr. Dai Feng is currently the chairman of Wuxi EA Medical Instruments Technologies Limited (無錫時代天使醫療器械科技有限公司), a provider of invisible dental orthodontic devices and the vice chairman of Carestream Dental LLC, a provider of dental digital product lines and services and a director of Szechuan New Huaguang Medical Technology Limited (四川新華光醫療科技有限公司), a leading distributor of dental products.

Mr. Dai Feng obtained a bachelor's degree in engineering sciences from Harvard University in the United States in June 1997.

Pursuant to the letter of appointment entered into between the Company and Mr. Dai Feng dated November 26, 2018, the term of office took effect on December 13, 2018 and until the expiry of the first session of the Board. Upon the expiry of the term of office, the appointment will automatically be extended to a new term of office upon re-election. Directors' remuneration shall be determined by the Remuneration and Appraisal Committee upon the Shareholders' approval and authorization at the AGM.

Dr. Hetong Lou (婁賀統), aged 57, is an independent non-executive Director of our Company. He is also the chairperson of Audit Committee and a member of Remuneration and Appraisal Committee. Dr. Hetong Lou is primarily responsible for supervising and providing independent judgement to our Board. He was appointed as our independent non-executive Director in March 2017.

Dr. Hetong Lou has the following work experience:

- Since May 2018, he has been serving as an independent director of Shandong Hualu Hengsheng Chemical Co Ltd (山東華魯恒升化工股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600426), and responsible for providing independent judgement to the board of the company.

- Since March 2018, he has been serving as an independent non-executive director of China Hengshi Foundation Company Limited (中國恒石基業有限公司), which was delisted on the Main Board of the Stock Exchange (stock code: 1197) on 4 July 2019, and responsible for providing independent judgement to the board of the company.
- Since December 2015, he has been serving as an independent director of Neway Valve (Suzhou) Co., Ltd (蘇州紐威閥門股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 603699), and responsible for providing independent judgement to the board of the company.
- From April 2015 to August 2018, he was a director of Shanghai Lilong New Media Co., Ltd (上海利隆新媒體股份有限公司), a company which shares are quoted on the NEEQ (stock code: 833366), primarily engaged in providing international integrated road show service, and was responsible for its general management.
- Since December 2014, he has been serving as an independent director of Shanghai LongYun Advertising and Media Co., Ltd (上海龍韻廣告傳媒股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 603729), and responsible for providing independent judgement to the board of the company.
- He is currently serving as an associate professor of the Department of Accounting of Fudan University (復旦大學).

Dr. Hetong Lou obtained a bachelor's degree in accounting from Shanghai University of Finance and Economics (上海財經大學) in the PRC in July 1984. He has also obtained a Ph.D. degree in Accounting from Fudan University in the PRC in July 2007.

Pursuant to the letter of appointment entered into between the Company and Dr. Hetong Lou dated November 26, 2018, the term of office took effect on March 1, 2017 and until the expiry of the first session of the Board. Upon the expiry of the term of office, the appointment will automatically be extended to a new term of office upon re-election. Directors' remuneration shall be determined by the Remuneration and Appraisal Committee upon the Shareholders' approval and authorization at the AGM.

Mr. Xiaotong Zhang (張曉彤), aged 51, is an independent non-executive Director of our Company. He is a member of Audit Committee of the Company. Mr. Xiaotong Zhang is primarily responsible for supervising and providing independent judgement to our Board. He was appointed as our independent non-executive Director in March 2017.

Mr. Xiaotong Zhang has the following work experience:

- Since September 2018, he has been serving as an independent director of Wuhan DR Laser Technology Co., Ltd. (武漢帝爾激光科技股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 300776) which primarily engaged in the design of precision laser processing solutions and its supporting equipment research and development, manufacture and sales and he has been responsible for supervising and providing independent judgment to the board of the company.
- From May 2018 to January 2020, he served as an independent director of Hubei Kailong Chemical Group Co., Ltd (湖北凱龍化工集團股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002783) which primarily engaged in manufacturing and sale of explosives in the PRC, and he was responsible for supervising and providing independent judgement to the board of the company.
- Since October 2015, he has been serving as an independent director of Limin Chemical Co., Ltd (利民化工股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002734) which primarily engaged in the research and development, production and sale of pesticide and preparations, and he has been responsible for supervising and providing independent judgement to the board of the company.
- From October 2014 to January 2020, he served as an independent director of Shandong Huapeng Glass Co., Ltd (山東華鵬玻璃股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 603021) which primarily engaged in the research and development, manufacture and sale of glass products, and he was responsible for supervising and providing independent judgement to the board of the company.
- Since April 1994, he has been serving as a lawyer and a partner of Beijing Finance and Commercial Law Offices (北京市通商律師事務所).
- He is currently serving as an independent director of CTS (Dengfeng) Songshan Shaolin Culture Tourism Co., Ltd (港中旅(登封)嵩山少林文化旅遊有限公司), a company primarily engaged in promoting the tourism of the Songshan Mountain scenic spot, improving the infrastructure and upgrading the services, and has been responsible for supervising and providing independent judgement to the board of the company.

Mr. Xiaotong Zhang obtained a bachelor's degree in law from Southwest University of Political Science and Law (西南政法大學) (formerly known as Southwest College of Political Science and Law (西南政法學院)) in the PRC in July 1990 and a master's degree in law from Peking University Law School (北京大學法學院) in the PRC in July 1999. He also obtained a master's degree in business administration from Cheung Kong Graduate School of Business (長江商學院) in the PRC in September 2015.

Pursuant to the letter of appointment entered into between the Company and Mr. Xiaotong Zhang dated November 26, 2018, the term of office took effect on March 1, 2017 and until the expiry of the first session of the Board. Upon the expiry of the term of office, the appointment will automatically be extended to a new term of office upon re-election. Directors' remuneration shall be determined by the Remuneration and Appraisal Committee upon the Shareholders' approval and authorization at the AGM.

Saved as disclosed above, as at the Latest Practicable Date, none of the above candidates for re-election or election as Directors has held any other directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years and none of them (i) are related to any Directors, Supervisors, senior management or substantial controlling Shareholders; (ii) are interested in any shares of the Company within the meaning of Part XV of the SFO; or (iii) held any other position with the Company or other members of the Group.

Saved as disclosed above, as at the Latest Practicable Date, the Board is not aware of any other matters in relation to the proposed re-election and election of the above Directors that need to be brought to the attention of the Shareholders nor any information that is required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

APPENDIX V PARTICULARS OF SHAREHOLDER REPRESENTATIVE SUPERVISORS PROPOSED FOR RE-ELECTION

Biographical details of the candidates proposed to be re-elected as Shareholder representative Supervisors as required under Rule 13.51(2) of the Listing Rules are set out as follows:

Shareholder Representative Supervisors

Mr. Harry Liang He (賀亮), aged 53, is a Supervisor of our Company. He joined the Group in July 2005 and has been the chairman of the Supervisory Committee since March 2017.

Mr. Harry Liang He has the following work experience:

- Currently, he is serving as the head of operations management of the Waigaoqiao site of the Company and concurrently as the head of supply chain risk control management team of the Company's China risk control department.
- From December 2015 to March 2018, he served as an assistant to the chief executive officer and an executive director of the chief executive officer's office of our Company.
- From July 2007 to December 2015, he served as an assistant to the chief executive officer, senior director and subsequently an executive director of the chief executive officer's office of WuXi PharmaTech, a company previously listed on NYSE.
- From July 2005 to June 2007, he served as an assistant to the chief executive officer of our Company.
- He previously served as a senior chemical testing engineer, data management manager and as an acting manager of the United States Navy public works environmental laboratory at Shaw Environmental & Infrastructure Inc. (肖恩環境和基礎建設公司).

Mr. Harry Liang He obtained a bachelor's degree in chemistry from Beijing University of Chemical Technology in the PRC in July 1989.

Pursuant to letter of appointment entered into between the Company and Mr. Harry Liang He dated November 26, 2018, the term of office took effect on March 1, 2017 and until the expiry of the first session of the Supervisory Committee. Upon the expiry of the term of office, the appointment will automatically be extended to a new term of office upon re-election.

Supervisors' remuneration shall be determined based on the Company's economic benefits and the Supervisor's duties and actual work performance, and references shall be made factors such as the salary level of companies of similar scale in the same industry.

**APPENDIX V PARTICULARS OF SHAREHOLDER REPRESENTATIVE
SUPERVISORS PROPOSED FOR RE-ELECTION**

Mr. Jichao Wang (王繼超), aged 46, is a Supervisor of our Company. He joined the Group in February 2001 and was appointed as a Supervisor in March 2017.

Mr. Jichao Wang has the following work experience:

- Since December 2015, he has been serving as a finance senior director, and subsequently a finance executive director of our Company.
- From August 2007 to December 2015, he served as a finance director, and subsequently a finance senior director of WuXi PharmaTech, a company previously listed on NYSE.
- From February 2001 to August 2007, he served as a finance director of our Company.
- Mr. Jichao Wang pursued further education in economics at Peking University from February 2000 to July 2000. Mr. Wang obtained a master's degree in business administration from University of Shanghai for Science and Technology (上海理工大學) in the PRC in March 2007. Mr. Wang obtained a master's degree in business administration from Shanghai Jiao Tong University (上海交通大學) in the PRC in June 2012.

Pursuant to letter of appointment entered into between the Company and Mr. Jichao Wang dated November 26, 2018, the term of office took effect on March 1, 2017 and until the expiry of the first session of the Supervisory Committee. Upon the expiry of the term of office, the appointment will automatically be extended to a new term of office upon re-election.

Supervisors' remuneration shall be determined based on the Company's economic benefits and the Supervisor's duties and actual work performance, and references shall be made factors such as the salary level of companies of similar scale in the same industry.

Saved as disclosed above, as at the Latest Practicable Date, none of the above Shareholder representative Supervisors held any other directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years and none of them (i) are related to any Directors, Supervisors, senior management or substantial controlling Shareholders; (ii) are interested in any shares of the Company within the meaning of Part XV of the SFO; or (iii) held any other position with the Company or other members of the Group.

**APPENDIX V PARTICULARS OF SHAREHOLDER REPRESENTATIVE
SUPERVISORS PROPOSED FOR RE-ELECTION**

Saved as disclosed above, as at the Latest Practicable Date, the above Shareholder representative Supervisors have confirmed that there are no matters that need to be brought to the attention of the Shareholders and there is no other information in relation to the proposed re-election of them that is required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

In order to meet the need of business development of domestic and overseas subsidiaries or partnerships (hereinafter referred to as “**Subsidiaries**”) within the scope of the Company’s consolidated financial statements, in accordance with the “Company Law of the People’s Republic of China” and other relevant laws and regulations, the listing rules of the stock exchanges in the place where the shares of the Company are listed, the Articles of Association of WuXi AppTec Co., Ltd. and the External Guarantee Management System of WuXi AppTec Co., Ltd., the Company intends to provide its Subsidiaries with an aggregate guarantee of no more than RMB3 billion in 2020, including the aggregate guarantee of no more than RMB2 billion for its wholly-owned subsidiaries (including WuXi AppTec (Shanghai) Co., Ltd. and its wholly-owned/holding subsidiaries, WuXi AppTec (Suzhou) Co., Ltd. and its wholly-owned subsidiaries, WuXi AppTec (Wuhan) Co., Ltd., WuXi AppTec (Chengdu) Co., Ltd., WuXi AppTec (Tianjin) Co., Ltd., WuXi AppTec, Inc, WuXi AppTec (Hong Kong) Limited) and the aggregate guarantee of no more than RMB1 billion for its subsidiaries (including WuXi Clinical Development Services (Chengdu) Co., Ltd. and Shanghai SynTheAll Pharmaceutical Co., Ltd. and its wholly-owned subsidiaries). The validity period of such guarantee amounts is from the date of approval at the 2019 annual general meeting to the date of the 2020 annual general meeting. It also includes the following guarantees for the Company’s subsidiaries that occurred during the aforesaid validity period: (1) the guarantees for the guarantee objects with an asset-liability ratio exceeding 70%; and (2) the single guarantee exceeding 10% of the net assets in the latest audited consolidated financial statements of the Company. As the Company’s guarantees and the relevant guarantee amounts that is still within the guarantee period for the year 2019 are not included in the above-mentioned guarantee amounts for 2020, the Company is not required to perform the internal review procedures separately for those guarantees, and the validity of which is as agreed in the agreements entered into between the subsidiaries and the relevant parties. Subject to the approval of the above-mentioned external guarantee amounts at the general meeting of the Company, the president (CEO) shall be further authorized to determine the way of external guarantees, the guarantee amounts and other specific matters within the scope of authorization granted at the general meeting of the Company, and enter into the specific guarantee agreements.

APPENDIX VII PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE A SHARES AND/OR H SHARES

In order to meet the need of the Company's business development, consolidate its leading position in the field of pharmaceutical R&D services and further enhance its capital and comprehensive strength, in accordance with the "Company Law of the People's Republic of China" and other relevant laws and regulations, the listing rules of the stock exchanges in the place where the shares of the Company are listed and the Articles of Association of WuXi AppTec Co., Ltd.*, the Board of Directors of the Company intends to propose the general meeting to generally and unconditionally authorize the Board of Directors to re-delegate the Chairman and its authorized persons to determine to allot, issue and deal with the A shares and/or H shares of up to 20% of the number of the A shares and/or H shares in issue of the Company, or securities which may be converted into such shares, share options, warrants, or the similar rights to subscribe for the A shares and/or H shares of the Company (excluding warrants, options or similar rights to subscribe for (i) any new Shares or (ii) any securities convertible into new Shares for cash consideration) (hereinafter referred to as the "**Similar Rights**", and the above-mentioned authorization is hereinafter referred to as the "**General Mandate**") separately or simultaneously. In accordance with the requirements of the relevant laws and regulations in China, even if the General Mandate is obtained, the Company shall still be approved at the general meeting for the issuance of any A shares. The specific authorization is as follows:

- I. To generally and unconditionally authorize the Board of Directors to re-delegate the Chairman and its authorized persons to determine to allot, issue and deal with the A Shares and/or H Shares or similar rights separately or simultaneously, and to determine the terms and conditions for allotment, issuance and disposal of new shares or issue similar rights, including but not limited to:
 1. Class and number of new shares to be issued;
 2. Pricing mechanism and/or issue price of the new shares to be issued (including price range);
 3. The starting and closing dates of such issue;
 4. The class and number of the new shares to be issued to existing shareholders; and/or
 5. To make or authorize the share offer, agreements, share options, conversion rights or other rights that may require the exercise of such rights.

**APPENDIX VII PROPOSED GRANTING OF GENERAL MANDATE TO
ISSUE A SHARES AND/OR H SHARES**

- II. The number of the A Shares and/or H Shares (excluding the shares issued by way of the conversion of public reserve into share capital) to be allotted, issued and dealt with (whether pursuant to an option or otherwise) by the Board of Directors or the Chairman and its authorized persons separately or simultaneously in accordance with the General Mandate referred to in first paragraph above shall not exceed 20% of the number of the A shares and/or H shares of such class in issue of the Company at the time when this resolution is passed at the general meeting of the Company.
- III. Where the Board of Directors or the Chairman and its authorized persons have, during the effective period of the mandate specified in the seventh paragraph of this resolution, determined to allot, issue and deal with the A shares and/or H shares or similar rights, and the Company also has, during the effective period of the mandate, obtained the relevant approval, permission from, or registration (if applicable) with the regulatory authorities, the Board of Directors of the Company or the Chairman and its authorized persons may, during the effective period of such approval, permission or registration, complete the relevant allotment, issuance and disposal of such shares.
- IV. To authorize the Board of Directors or the Chairman and its authorized persons to obtain an approval from all relevant government departments and/or regulatory authorities (if applicable) in accordance with the applicable laws (including but not limited to the Company Law of the People's Republic of China, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange) to exercise the General Mandate.
- V. To authorize the Board of Directors or the Chairman and its authorized persons to approve, execute and do or procure to be executed and done, all such documents, deeds and things as it may consider necessary in connection with the allotment, issuance and disposal of any new shares under the abovementioned General Mandate, handle the necessary procedures and take other necessary actions.
- VI. To authorize the Board of Directors or the Chairman and its authorized persons to increase the registered capital of the Company and make appropriate and necessary amendments to the Articles of Association of the Company in accordance with the way, type and number of the allotment and issuance of new shares of the Company and the actual shareholding structure of the Company upon completion of the allotment and issuance of new shares.

**APPENDIX VII PROPOSED GRANTING OF GENERAL MANDATE TO
ISSUE A SHARES AND/OR H SHARES**

VII. The effective period of the General Mandate shall be from the passing of this resolution to the following date, whichever is earlier:

- (1) from the date when this resolution is passed at the general meeting of the Company until the expiry of 12 months since then;
- (2) the date of conclusion of the 2020 annual general meeting of the Company; or
- (3) at the time of passing a special resolution by the shareholders of the Company at the general meeting to revoke or vary the mandate under this resolution.

APPENDIX VIII PROPOSED GRANTING OF REPURCHASE MANDATE

In order to meet the need of the Company's business development, in accordance with the requirements of relevant laws and regulations, the listing rules of the stock exchanges in the place where the shares of the Company are listed and the Articles of Association of WuXi AppTec Co., Ltd.* (the "**Articles of Association**"), the Board of Directors of the Company intends to propose the general meeting to generally and unconditionally authorize the Board of Directors to repurchase the A shares and/or H shares of the Company. The specific authorization is as follows:

- I. Subject to the restrictions set forth in Items II and III below, the exercise by the Board of Directors during the Relevant Period of all the powers of the Company to repurchase the A shares listed on the Shanghai Stock Exchange and the H Shares listed on the Hong Kong Stock Exchange, subject to and in accordance with all applicable laws, regulations and rules and/or requirements of the governmental or regulatory body of securities in the PRC, The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**"), the Shanghai Stock Exchange (the "**SSE**") or any other governmental or regulatory body be and is hereby approved;
- II. The aggregate nominal amount of A shares and/or H Shares of the Company authorized to be repurchased by the Company pursuant to the approval mentioned above during the Relevant Period shall not exceed 10% of the number of A shares and/or H Shares of the Company in issue as at the date of the passing of this resolution at the general meeting, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting of the Company, respectively;
- III. The first approval mentioned above shall be conditional upon satisfaction of all the following conditions:
 1. The passing of a special resolution with the same terms as this resolution at both the H Shareholders' Class Meeting and A Shareholders' Class Meeting of the Company;
 2. The obtainment of an approval from all relevant regulatory authorities having jurisdiction over the Company (if applicable) as required by the laws, regulations and rules of the PRC; and
 3. The Company not being required by any of its creditors to repay or to provide guarantees in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, at its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedures under the "Company Law of the People's Republic of

APPENDIX VIII PROPOSED GRANTING OF REPURCHASE MANDATE

China” and the Articles of Association of the Company. If the Company determines to repay any amount to any of its creditors, the Company will do so out of its internal funds.

IV. Subject to the approval of all relevant government authorities in the PRC for the repurchase of such shares of the Company being granted and subject to the abovementioned conditions, the Board of Directors be and is hereby authorized to:

1. Formulate and implement the specific repurchase plans, including but not limited to repurchase price and number of repurchased shares, and determine the time and duration of repurchase, etc.;
2. Notify creditors and issue announcements in accordance with the requirements of the relevant laws, regulations, normative documents and the Articles of Association;
3. Open overseas share accounts and carry out the related changes of foreign exchange registration procedures;
4. Carry out the relevant approval and filing procedures as required by regulatory authorities and the stock exchanges in the place where the shares of the Company are listed;
5. Carry out, execute and implement all such documents, do all such acts and things or take any steps as they consider desirable, necessary or expedient in connection with and to give effect to the repurchase of shares in accordance with the requirements of relevant laws and regulations and the listing rules of the stock exchanges in the place where the shares of the Company are listed;
6. Carry out the cancellation procedures for repurchased shares, reduce the registered capital, and make amendments which it deems appropriate to the Articles of Association of the Company to reflect the relevant provisions such as the total share capital and shareholding structure of the Company, and carry out the relevant statutory registrations and filings procedures at home and abroad;
7. Execute and handle other documents and matters related to the repurchase of shares.

APPENDIX VIII PROPOSED GRANTING OF REPURCHASE MANDATE

- V. For the purpose of this resolution, the “Relevant Period” means the period from the passing of this resolution at the general meeting of the Company and the passing of those resolutions having the same terms with this resolution at its A Share Class Meeting and H Share Class Meeting, respectively, until whichever is the earliest of:
1. Upon conclusion of the 2020 annual general meeting of the Company;
 2. The expiration of a period of twelve months following the passing of this resolution at the general meeting of the Company and the passing of those resolutions having the same terms with this resolution at its A Share Class Meeting and H Share Class Meeting, respectively; or
 3. The time at which the authorization conferred by this resolution is revoked or varied by a special resolution of shareholders of the Company at a general meeting, or by a special resolution of its H shareholders and A shareholders at the H Share Class Meeting and the A Share Class Meeting, respectively.

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the special resolutions to be proposed at the AGM, the H Share Class Meeting and the A Share Class Meeting in relation to the granting of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,480,612,971 A Shares and 170,513,560 H Shares. Subject to the passing of the special resolutions set out in the AGM, the H Share Class Meeting and the A Share Class Meeting in respect of the granting of the Repurchase Mandate and on the basis that the issued share capital of the Company remains unchanged on the date of the AGM, i.e. being 1,480,612,971 A Shares and 170,513,560 H Shares, the Directors would be authorized under the Repurchase Mandate to repurchase, during the Relevant Period (as defined below), a total of 148,061,297 A Shares and 17,051,356 H Shares, representing 10% of the total number of A Shares and H Shares in issue as at the date of the AGM, respectively. The exercise of the Repurchase Mandate is further subject to:

- (i) the obtainment of an approval from all relevant regulatory authorities having jurisdiction over the Company (if applicable) as required by the laws, regulations and rules of the PRC; and
- (ii) the Company not being required by any of its creditors to repay or to provide guarantees in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, at its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedures under the “Company Law of the People’s Republic of China” and the Articles of Association of the Company. If the Company determines to repay any amount to any of its creditors, the Company will do so out of its internal funds.

The “**Relevant Period**” means the period from the passing of the resolution at the AGM and the passing of those resolutions having the same terms with this resolution at its A Share Class Meeting and H Share Class Meeting, respectively, until whichever is the earliest of:

- (i) upon conclusion of the 2020 annual general meeting of the Company;
- (ii) the expiration of a period of twelve months following the passing of this resolution at the AGM and the passing of those resolutions having the same terms with this resolution at its A Share Class Meeting and H Share Class Meeting, respectively; or

- (iii) the time at which the authorization conferred by this resolution is revoked or varied by a special resolution of the Shareholders at a general meeting, or by a special resolution of its H shareholders and A shareholders at the H Share Class Meeting and the A Share Class Meeting, respectively.

2. REASONS FOR SHARE REPURCHASE

The Directors believe that a general authority from the Shareholders to enable the Company to repurchase its Shares is to maintain stability of the Company's operations, development and share price, to safeguard and protect the long-term interests of the Shareholders, to promote the maximization of Shareholders' value, to further improve and refine the long-term incentive and talent retention mechanism, and to ensure the sustainable operations and healthy development of the Company.

3. FUNDING OF SHARE REPURCHASE

In repurchasing its A Shares and/or H Shares, the Company intends to apply funds from its internal resources (which may include surplus funds and retained profits) legally available for such purpose in accordance with its Articles of Association, the laws of the PRC and/or any other applicable laws, as the case may be.

4. IMPACT OF SHARE REPURCHASE

Any repurchase of the Shares by the Company may only be made either out of the funds of the Company that would otherwise be available for dividend or distribution or out of the proceeds of the issuance of new Shares made for such purpose. The amount of financing required for the Company to purchase or acquire its Shares, and the impact on the Company's financial position, cannot be ascertained as at the Latest Practicable Date as these will depend on whether the Shares are purchased or acquired out of capital or profits, the number of shares purchased or acquired and the price at which such Shares were purchased or acquired. There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements contained in the annual report of the Company for the year ended December 31, 2018) in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares have traded on the Hong Kong Stock Exchange and Shanghai Stock Exchange during each of the previous twelve months prior to the Latest Practicable Date are as follows:

Month	H Share Prices		A Share Prices	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>	Highest <i>RMB</i>	Lowest <i>RMB</i>
2019				
April	105.00	91.00	98.26	87.03
May	97.00	80.80	84.50	74.23
June	91.50	63.20	87.66	76.63
July	76.65	67.00	92.66	61.83
August	90.00	64.70	88.10	61.62
September	89.05	79.50	88.42	79.02
October	97.30	81.10	94.07	81.29
November	101.30	88.00	100.47	86.38
December	104.10	90.15	98.26	85.80
2020				
January	107.90	91.50	99.94	85.94
February	122.4	96.1	118.85	86.99
March (up to the Latest Practicable Date)	126.00	85.05	119.30	85.40

6. GENERAL

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Hong Kong Stock Exchange to exercise the power of the Company to repurchase A Shares and/or H Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the PRC.

7. TAKEOVERS CODE

If as a result of a repurchase of A Shares and/or H Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

To the best knowledge of the Company, as at the Latest Practicable Date, the Founding Individuals held or controlled the voting rights of 452,703,276 Shares representing approximately 27.4178% of the total issued share capital of the Company. In the event that the Directors exercise the proposed Repurchase Mandate in full, the aggregate control over voting rights of the Founding Individuals would be increased to approximately 30.4643% of the issued share capital of the Company. The Directors consider that such increase in shareholding would give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

Under the Administration of the Takeover of Listed Companies Procedures (《上市公司收購管理辦法》) in the PRC, where the repurchase of shares from specific shareholders by a listed company according to the determined price approved by the general meeting of shareholders results in reduction of share capital, thereby rendering the equity held by the investor in the company exceeding 30% of the issued shares of that company, the investor may file an application with the China Securities Regulatory Commission ("CSRC") for exemption from making a tender offer. However, if the CSRC does not agree to its application, the investor and its persons acting in concert shall, within 30 days as of receipt of the notice of the CSRC, reduce the shares of the target company held by itself or the shareholders under its control to 30% or less. In the event of any intention to increase the shareholding by means other than tender offer, a general tender offer shall be sent out. Therefore, where the Repurchase Mandate is exercised in full and the aggregate control over voting rights of the Founding Individuals would be increased to approximately 30.4643%, if the Founding Individuals do not wish to reduce their interest to below 30%, they shall obtain the consent of CSRC or extend general tender offer to other shareholders.

Save as the above, the Directors are not aware of any consequences which will arise under either or both of the Takeovers Code and any similar applicable law as a result of any repurchases to be made under the Repurchase Mandate.

However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code and/or result in the aggregate number of Shares held by the public shareholders falling below the prescribed minimum percentage required by the Hong Kong Stock Exchange.

8. SHARE REPURCHASE MADE BY THE COMPANY

During the six months prior to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Hong Kong Stock Exchange, Shanghai Stock Exchange or otherwise).

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

Original Articles	Amended Articles
<p>Article 1 To protect the legal rights and interests of the Company, shareholders and creditors, and regulate the organization and behavior of WuXi AppTec Co., Ltd. (hereinafter referred to as “the Company”), these Articles of Association are formulated in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as “the Company Law”), the Securities Law of the People’s Republic of China (hereinafter referred to as “the Securities Law”), Special Provisions of the State Council Concerning the Floatation and Listing Abroad of Stocks by Limited Stock Companies (hereinafter referred to as “the Special Provisions”), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas(hereinafter referred to as “the Mandatory Provisions”), the Letter for Comments on the Amendments to Articles of Association of Companies Listed in Hong Kong (Zheng Jian Hai Han [1995] No. 1, hereinafter referred to as “Zheng Jian Hai Han”), the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as “Hong Kong Listing Rules”) and other relevant regulations.</p>	<p>Article 1 To protect the legal rights and interests of the Company, shareholders and creditors, and regulate the organization and behavior of WuXi AppTec Co., Ltd. (hereinafter referred to as “the Company”), these Articles of Association are formulated in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as “the Company Law”), the Securities Law of the People’s Republic of China (hereinafter referred to as “the Securities Law”), Special Provisions of the State Council Concerning the Floatation and Listing Abroad of Stocks by Limited Stock Companies (hereinafter referred to as “the Special Provisions”), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas (hereinafter referred to as “the Mandatory Provisions”), <u>the Reply of the State Council on the Adjustment of the Notice Period of General Meeting and Other Matters Applicable to Overseas Listed Companies (Guo Han [2019] No. 97)</u>, <u>the Guidelines for the Articles of Association of Listed Companies</u>, the Letter for Comments on the Amendments to Articles of Association of Companies Listed in Hong Kong (Zheng Jian Hai Han [1995] No. 1, hereinafter referred to as “Zheng Jian Hai Han”), the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as “Hong Kong Listing Rules”) and other relevant regulations.</p>

Original Articles	Amended Articles
<p>Article 3 On April 13, 2018, the Company was approved by the China Securities Regulatory Commission (hereinafter referred to as the “CSRC”) to issue 104,198,556 shares of RMB ordinary shares to the public for the first time. On May 8, 2018, the Company was listed on the Shanghai Stock Exchange.</p> <p>On November 6, 2018, the Company was approved by CSRC to issue 116,474,200 shares of overseas listed foreign shares in Hong Kong (hereinafter referred to as “H-shares”) under the Global Offering and over-allotted 5,321,200 H-shares. The H-shares were listed on The Stock Exchange of Hong Kong Limited (hereinafter referred to as “HKEX”) on December 13, 2018 and January 9, 2019, respectively.</p>	<p>Article 3 On April 13, 2018, the Company was approved by the China Securities Regulatory Commission (hereinafter referred to as the “CSRC”) to issue 104,198,556 shares of RMB ordinary shares to the public for the first time. On May 8, 2018, the Company was listed on the Shanghai Stock Exchange.</p> <p>On November 6, 2018, the Company was approved by CSRC to issue 116,474,200 shares of overseas listed foreign shares in Hong Kong (hereinafter referred to as “H-shares”) under the Global Offering <u>for the first time</u> and over-allotted 5,321,200 H-shares. The <u>abovementioned</u> H-shares were listed on The Stock Exchange of Hong Kong Limited (hereinafter referred to as “HKEX”) on December 13, 2018 and January 9, 2019, respectively.</p>
<p>Article 6 The registered capital of the Company is RMB1,638,043,314.</p>	<p>Article 6 The registered capital of the Company is RMB1,638,043,314<u>1,651,126,531</u>.</p>

Original Articles	Amended Articles
<p>Article 10 The Articles of Association shall come into effect on the date when the overseas listed foreign shares of the Company are traded on HKEX after being considered and approved at the general meeting of the Company. From the effective date of the Articles of Association, the former articles of association of the Company shall automatically go out of effect.</p> <p>The Articles of Association shall be a legally binding document governing the organization and conduct of the Company, and the rights and obligations between the Company and its shareholders and among shareholders since the effective date.</p> <p>The Articles of Association shall be legally binding on the Company, shareholders, directors, supervisors and senior management officers. The foregoing personnel all may raise claims for rights relevant with the matters of the Company according to the Articles of Association.</p> <p>According to the Articles of Association, shareholders can sue the Company, the Company can sue shareholders, and shareholders can sue shareholders, directors, supervisors, manager (president and CEO) and other senior management.</p> <p>The suing stated in the preceding paragraph includes filing a lawsuit to a court or applying for arbitration to an arbitration organization.</p>	<p>Article 10 The Articles of Association shall come into effect on the date <u>of consideration and approval</u> and when the overseas listed foreign shares of the Company are traded on HKEX after being considered and approved at the general meeting of the Company. From the effective date of the Articles of Association, the former articles of association of the Company shall automatically go out of effect.</p> <p>The Articles of Association shall be a legally binding document governing the organization and conduct of the Company, and the rights and obligations between the Company and its shareholders and among shareholders since the effective date.</p> <p>The Articles of Association shall be legally binding on the Company, shareholders, directors, supervisors and senior management officers. The foregoing personnel all may raise claims for rights relevant with the matters of the Company according to the Articles of Association.</p> <p>According to the Articles of Association, shareholders can sue the Company, the Company can sue shareholders, and shareholders can sue shareholders, directors, supervisors, manager (president and CEO) and other senior management.</p> <p>The suing stated in the preceding paragraph includes filing a lawsuit to a court or applying for arbitration to an arbitration organization.</p>

Original Articles	Amended Articles
<p>Article 23 After establishment, the Company issued for the first time 104,198,556 domestic shares to domestic investors and other qualified investors upon approval of CSRC. After the abovementioned issuance, the total number of shares of the Company is 1,041,985,556, all being Renminbi ordinary shares.</p> <p>The Company issued 121,795,400 H-shares to overseas investors in 2018 upon approval of CSRC. After the abovementioned issuance, the total number of shares of the Company is 1,170,062,286, all being ordinary shares, including 1,048,266,886 shares held by shareholders of domestically listed domestic shares, accounting for about 89.59% of the total share capital of the Company; 121,795,400 shares held by H-share shareholders, accounting for about 10.41% of the total share capital of the Company.</p>	<p>Article 23 After establishment, the Company issued for the first time 104,198,556 domestic shares to domestic investors and other qualified investors upon approval of CSRC. After the abovementioned issuance, the total number of shares of the Company is 1,041,985,556, all being Renminbi ordinary shares.</p> <p>The Company issued 121,795,400 H-shares to overseas investors in 2018 <u>for the first time</u> upon approval of CSRC. After the abovementioned issuance, the total number of shares of the Company is 1,170,062,286, all being ordinary shares.</p> <p><u>The shareholding of the Company is: 1,651,126,531 ordinary shares, including 1,480,612,971+1,048,266,886 shares held by shareholders of domestically listed domestic shares, accounting for about 89.59% of the total share capital of the Company; 170,513,560+121,795,400 shares held by H-share shareholders, accounting for about 10.41% of the total share capital of the Company.</u></p>

Original Articles	Amended Articles
<p>Article 29 The Company may acquire shares of the Company in accordance with the laws, administrative regulations, departmental rules, normative documents and the listing rules of the stock exchange in the place where the stocks of the Company are listed and the Articles of Association in the following circumstances:</p> <p>(I) to decrease the registered capital of the Company;</p> <p>(II) to merge with another company holding shares of the Company;</p> <p>(III) to issue shares under employee stock ownership plan or as share incentives;</p> <p>(IV) It is requested by any shareholder to purchase his shares because this shareholder raises objection to the company’s resolution on merger or split-up made at a general meeting of shareholders;</p> <p>(V) to satisfy the conversion of those corporate bonds convertible into shares issued by the Company with shares;</p> <p>(VI) to safeguard corporate value and the interests of the shareholders as the Company deems necessary;</p> <p>(VII) Other circumstances permitted in laws or administrative regulations.</p> <p>Except for the above, the Company does not carry out activities to buy or sell shares of the Company.</p>	<p>Article 29 The Company may acquire shares of the Company in accordance with the laws, administrative regulations, departmental rules, normative documents and the listing rules of the stock exchange in the place where the stocks of the Company are listed and the Articles of Association in the following circumstances:</p> <p>(I) to decrease the registered capital of the Company;</p> <p>(II) to merge with another company holding shares of the Company;</p> <p>(III) to issue shares under employee stock ownership plan or as share incentives;</p> <p>(IV) It is requested by any shareholder to purchase his shares because this shareholder raises objection to the company’s resolution on merger or split-up made at a general meeting of shareholders;</p> <p>(V) to satisfy the conversion of those corporate bonds convertible into shares issued by the Company with shares;</p> <p>(VI) to safeguard corporate value and the interests of the shareholders as the Company deems necessary;</p> <p>(VII) Other circumstances permitted in laws or administrative regulations.</p> <p>Except for the above, the Company <u>shall not acquire any</u> does not carry out activities to buy or sell shares of the Company.</p>

Original Articles	Amended Articles
<p>Article 51 Within thirty days before convention of a general meeting or within five (5) days before the base date of dividend distribution decided by the Company, no change of registration of the register of shareholders arising from share transfer shall be conducted. The aforesaid provision shall apply to holders of H Shares.</p>	<p>Article 51 <u>Where the laws, administrative regulations, departmental rules, normative documents and the listing rules of the stock exchange in the place where the stocks of the Company are listed have provisions on occasions when no change of registration of the register of shareholders shall be conducted</u>Within thirty days before convention of a general meeting or within five (5) days before the base date of dividend distribution decided by the Company, no change of registration of the register of shareholders arising from share transfer shall be conducted. <u>The aforesaid provision shall apply to holders of H Shares</u>such provisions shall prevail.</p>
<p>Article 67 The general meeting shall be the organ of authority of the Company and shall exercise the following functions and powers according to the laws:</p> <p>(I) to decide on the Company’s business policy and investment plans;</p> <p>(II) to elect and replace directors and supervisors who are not employee representatives, and determine the remunerations of directors and supervisors;</p> <p>(III) to consider and approve the reports of the Board;</p> <p>(IV) to consider and approve the reports of the Supervisory Committee;</p> <p>(V) to consider and approve the Company’s annual financial budgets, final accounts and annual reports;</p>	<p>Article 67 The general meeting shall be the organ of authority of the Company and shall exercise the following functions and powers according to the laws:</p> <p>(I) to decide on the Company’s business policy and investment plans;</p> <p>(II) to elect and replace directors and supervisors who are not employee representatives, and determine the remunerations of directors and supervisors;</p> <p>(III) to consider and approve the reports of the Board;</p> <p>(IV) to consider and approve the reports of the Supervisory Committee;</p> <p>(V) to consider and approve the Company’s annual financial budgets, final accounts and annual reports;</p>

Original Articles	Amended Articles
...	...
<p>Article 82 When the Company is to convene a general meeting, it shall send written notice to all shareholders whose names appear on the register of shareholders forty-five days prior to the date of the general meeting, specifying the matters to be considered and the date and place of the meeting. Shareholders who intend to attend the general meeting shall send a written reply on their intention to attend the meeting to the Company twenty days prior to the date of meeting.</p> <p>The aforesaid “forty-five days” or “twenty days” period counted by the Company shall not include the day on which the meeting is convened, but shall include the day on which the notice is issued.</p>	<p>Article 82 When the Company is to convene <u>an annual general meeting</u>, it shall send written notice to all shareholders whose names appear on the register of shareholders forty-five<u>twenty workdays</u> prior to the date of the general meeting;; when the Company is to convene an <u>extraordinary general meeting</u>, it shall send <u>written notice ten workdays or fifteen days (whichever is longer) prior to the date of the general meeting.</u> Such notice shall specifying the matters to be considered and the date and place of the meeting. Shareholders who intend to attend the general meeting shall send a written reply on their intention to attend the meeting to the Company twenty days prior to the date of meeting.</p> <p>The aforesaid “forty-five<u>twenty workdays</u>”, “<u>ten workdays</u>” or “twenty<u>fifteen days</u>” period counted by the Company shall not include the day on which the meeting is convened, but shall include <u>and</u> the day on which the notice is issued.</p>

Original Articles	Amended Articles
<p>Article 83 The Company calculates the number of voting shares represented by the shareholders intending to attend the meeting according to the written replies received twenty days prior to the convention of the general meeting. When the number of voting shares represented by the shareholders intending to attend the meeting exceeds a half of the total number of shares of the Company with voting right, the Company may hold the general meeting; if not, the Company shall, within five days, inform the matters to be considered at the meeting, and the date and place of the meeting to the shareholders again in form of announcement. After the notice, the Company may convene the general meeting.</p> <p>No matters not stated in the notice shall be resolved at an extraordinary general meeting.</p>	<p>Article 83 The Company calculates the number of voting shares represented by the shareholders intending to attend the meeting according to the written replies received twenty days prior to the convention of the general meeting. When the number of voting shares represented by the shareholders intending to attend the meeting exceeds a half of the total number of shares of the Company with voting right, the Company may hold the general meeting; if not, the Company shall, within five days, inform the matters to be considered at the meeting, and the date and place of the meeting to the shareholders again in form of announcement. After the notice, the Company may convene the general meeting.</p> <p>No matters not stated in the notice shall be resolved at <u>an extraordinary</u> a general meeting.</p>
<p>Article 86 ...</p> <p>The announcement stated in the preceding paragraph shall be published on one or multiple periodicals designated by the securities regulatory authority of the State Council in the period of 45 ~ 50 days prior to the convention of the meeting. Once the announcement is published, it shall be deemed that all the shareholders of domestic shares have received the notice of the general meeting.</p> <p>...</p>	<p>Article 86 ...</p> <p>The announcement stated in the preceding paragraph shall be published on one or multiple periodicals designated by the securities regulatory authority of the State Council <u>in the period of 45 ~ 50 days prior to the convention of the meeting, the website of Shanghai Stock Exchange and any media satisfying the requirements prescribed by the securities regulatory authority of the State Council.</u> Once the announcement is published, it shall be deemed that all the shareholders of domestic shares have received the notice of the general meeting.</p> <p>...</p>

Original Articles	Amended Articles
<p>Article 108 The following matters shall be approved by ordinary resolutions at a general meeting:</p> <p>(I) work reports of the Board and the Supervisory Committee;</p> <p>(II) the Company's profit distribution plan and loss recovery plan;</p> <p>(III) appointment and dismissal of the members of the Board and the Supervisory Committee, their remunerations and the method of payment thereof;</p> <p>(IV) the Company's annual budgets, final accounts, balance sheets, income statements and other financial statements;</p> <p>(V) the Company's annual reports;</p> <p>(VI) material transactions specified in Article 68 of the Articles of Association;</p> <p>(VII) external guarantees specified in Article 69 of the Articles of Association (excluding Item (II));</p> <p>(VIII) any connected transaction (excluding the provision of guarantee by the Company, receipt by the Company of cash donation, and any transaction that simply relieves the Company of obligatory debt) between the Company and the connected parties, whose amount is more than RMB30 million and accounts for more than 5% of the absolute value of the latest audited net assets of the Company;</p>	<p>Article 108 The following matters shall be approved by ordinary resolutions at a general meeting:</p> <p>(I) work reports of the Board and the Supervisory Committee;</p> <p>(II) the Company's profit distribution plan <u>(excluding the circumstances stated in Article 245 (IV) of the Articles of Association)</u> and loss recovery plan;</p> <p>(III) appointment and dismissal of the members of the Board and the Supervisory Committee, their remunerations and the method of payment thereof;</p> <p>(IV) the Company's annual budgets, final accounts, balance sheets, income statements and other financial statements;</p> <p>(V) the Company's annual reports;</p> <p><u>(V)(VI)</u> material transactions specified in Article 68 of the Articles of Association;</p> <p><u>(VI)(VII)</u> external guarantees specified in Article 69 of the Articles of Association (excluding Item (II));</p> <p><u>(VII)(VIII)</u> any connected transaction (excluding the provision of guarantee by the Company, receipt by the Company of cash donation, and any transaction that simply relieves the Company of obligatory debt) between the Company and the</p>

Original Articles	Amended Articles
<p>(IX) consideration and approval of matters relating to the changes in the use of proceeds from share offerings;</p> <p>(X) resolution on appointment or dismissal of the Company's accounting firm;</p> <p>(XI) other matters than those that should be passed by special resolutions pursuant to laws, administrative regulations, the listing rules of the stock exchange in the place where the stocks of the Company are listed or the Articles of Association.</p>	<p>connected parties, whose amount is more than RMB30 million and accounts for more than 5% of the absolute value of the latest audited net assets of the Company;</p> <p>(VIII)(IX) consideration and approval of matters relating to the changes in the use of proceeds from share offerings;</p> <p>(IX)(X) resolution on appointment or dismissal of the Company's accounting firm;</p> <p>(X)(XI) other matters than those that should be passed by special resolutions pursuant to laws, administrative regulations, the listing rules of the stock exchange in the place where the stocks of the Company are listed or the Articles of Association.</p>

Original Articles	Amended Articles
<p>Article 109 The following matters shall be approved by special resolutions at a general meeting:</p> <p>...</p> <p>(IX) any other matter specified in the laws, administrative regulations, the listing rules of the stock exchange in the place where the stocks of the Company are listed or the Articles of Association and confirmed by an ordinary resolution at a general meeting that it may have material impact on the Company and accordingly shall be approved by special resolutions.</p>	<p>Article 109 The following matters shall be approved by special resolutions at a general meeting:</p> <p>...</p> <p><u>(IX) the profit distribution plan in accordance with Article 245 (IV) of the Articles of Association;</u></p> <p><u>(X)</u>(IX) any other matter specified in the laws, administrative regulations, the listing rules of the stock exchange in the place where the stocks of the Company are listed or the Articles of Association and confirmed by an ordinary resolution at a general meeting that it may have material impact on the Company and accordingly shall be approved by special resolutions.</p>

Original Articles	Amended Articles
<p>Article 135 Written notice of a class meeting shall be given to all shareholders who are registered as holders of that class in the register of shareholders forty-five (45) days before the date of the class meeting. Such notice shall give such shareholder notice of the matters to be considered at such meeting and the date and place of the class meeting. A shareholder who intends to attend the class meeting shall deliver his written reply in respect thereof to the Company twenty (20) days before the date of the class meeting.</p> <p>If the shareholders who intend to attend such class meeting represent more than half of the total number of shares of that class which have the right to vote at such meeting, the Company may hold the class meeting; otherwise, the Company shall within five (5) days give the shareholders further notice of the matters to be considered and the date and place of the class meeting by way of public announcement. The Company may then hold the class meeting after such further notice has been given by public announcement.</p> <p>If the listing rules of the stock exchange in the place where the stocks of the Company are listed have special provisions, the special provisions shall prevail.</p>	<p>Article 135 Written notice of a class meeting shall be given to all shareholders who are registered as holders of that class in the register of shareholders forty-five (45) days before the date of the class meeting<u>in accordance with the provisions on notice period of annual general meetings and extraordinary general meetings under Article 82.</u> Such notice shall give such shareholder notice of the matters to be considered at such meeting and the date and place of the class meeting. A shareholder who intends to attend the class meeting shall deliver his written reply in respect thereof to the Company twenty (20) days before the date of the class meeting.</p> <p>If the shareholders who intend to attend such class meeting represent more than half of the total number of shares of that class which have the right to vote at such meeting, the Company may hold the class meeting; otherwise, the Company shall within five (5) days give the shareholders further notice of the matters to be considered and the date and place of the class meeting by way of public announcement. The Company may then hold the class meeting after such further notice has been given by public announcement.</p> <p>If the listing rules of the stock exchange in the place where the stocks of the Company are listed have special provisions, the special provisions shall prevail.</p>

Original Articles	Amended Articles
<p>Article 141 The method and procedure for nominating directors are:</p> <p>...</p> <p>(III) the written notice on intention for nominating candidates for directors and candidates' willingness to accept the nominations shall be sent to the Company no earlier than the issue date of the notice of the general meeting and no later than the 14th day prior to the convention of the general meeting. The Company shall give relevant nominees and candidates for directors at least seven days to submit the aforesaid notice and document (this period is calculated from the day after the issue date of the notice of the general meeting). The candidates for directors who accept the nominations shall promise that the information publicly disclosed about them is true and complete, and that they will diligently fulfill the duties as directors if elected.</p>	<p>Article 141 The method and procedure for nominating directors are:</p> <p>...</p> <p>(III) <u>for nomination by shareholders according to item (I) of this article,</u> the written notice on intention for nominating candidates for directors and <u>nominees'</u>candidates' willingness to accept the nominations shall be sent to the Company no earlier than the issue date of the notice of the general meeting and no later than the <u>14th</u>14th day prior to the convention<u>date</u> of the general meeting. The Company shall give relevant nominees<u>nominators</u> and <u>their nominated</u> candidates for directors at least seven <u>notice</u> days to submit the aforesaid notice and document (this period is calculated from the day after the issue date of the notice of the general meeting).</p> <p>(IV) The candidates for directors who accept the nominations shall promise that the information publicly disclosed about them is true and complete, and that they will diligently fulfill the duties as directors if elected.</p>

Original Articles	Amended Articles
<p>Article 159 The Board shall exercise the following functions and powers:</p> <p>...</p> <p>Other than the resolutions of the Board in respect of the matters specified in items (VI), (VII) and (XII) of this Article and other matters which shall be passed by the affirmative vote of more than two-thirds of all directors as provided by laws, administrative regulations, departmental rules, listing rules of the stock exchange in the place where the stocks of the Company are listed and the Articles of Association, the resolutions of the Board in respect of all other matters may be passed by the affirmative vote of a simple majority of all the directors.</p>	<p>Article 159 The Board shall exercise the following functions and powers:</p> <p>...</p> <p>Other than the resolutions of the Board in respect of the matters specified in items (VI), (VII) and (XII) of this Article and other matters which shall be passed by the affirmative vote of more than two-thirds of all directors as provided by laws, administrative regulations, departmental rules, listing rules of the stock exchange in the place where the stocks of the Company are listed and the Articles of Association, the resolutions of the Board in respect of all other matters may be passed by the affirmative vote of <u>more than half</u> a simple majority of all the directors.</p>

Original Articles	Amended Articles
<p>Article 163 The Board may establish special committees such as strategy committee, audit committee, nomination committee, and remuneration and evaluation committee according to relevant resolutions of the general meeting. The special committees shall be accountable to the Board and perform duties in accordance with the Articles of Association and the authorization of the Board, and their proposals shall be submitted to the Board for consideration and approval. All of the special committees shall consist of directors. In the audit committee, nomination committee, and remuneration and evaluation committee, independent directors shall be the majority and shall act as conveners, the audit committee shall at least include one accounting professional as independent director, and the convener shall be an accounting professional. The Board shall formulate the rules of procedures of the special committees to regulate their operation.</p> <p>Special committees may engage intermediaries to provide professional opinions. Expenses required for duty performance by special committees shall be borne by the Company.</p>	<p>Article 163 The Board may<u>shall</u> establish <u>audit committee and remuneration and evaluation committee</u> and <u>may establish special committees such as strategy committee, audit committee, and nomination committee and other special committees,</u> and remuneration and evaluation committee according to <u>its needs</u>relevant resolutions of the general meeting. The special committees shall be accountable to the Board and perform duties in accordance with the Articles of Association and the authorization of the Board, and their proposals shall be submitted to the Board for consideration and approval. All of the special committees shall consist of directors. In the audit committee, nomination committee, and remuneration and evaluation committee, independent directors shall be the majority and shall act as conveners, the audit committee shall at least include one accounting professional as independent director, and the convener shall be an accounting professional. The Board shall formulate the rules of procedures of the special committees to regulate their operation.</p> <p>Special committees may engage intermediaries to provide professional opinions. Expenses required for duty performance by special committees shall be borne by the Company.</p>

Original Articles	Amended Articles
<p>Article 208 The Supervisory Committee shall comprise shareholder’s representatives and an appropriate proportion of corporate representatives, including one employee representative and two shareholder’s representatives. The method and procedure for nominating shareholder supervisors are:</p> <p>(I) the candidates for shareholder supervisors shall be nominated by the Supervisory Committee or shareholder(s) severally or jointly holding more than 3% of the total number of the voting shares of the Company, and shall be elected at a general meeting of the Company.</p> <p>(II) the candidates for shareholder supervisors shall, before the notice of the general meeting is sent, provide written undertakings that they accept the nomination, that the information announced about them is true and complete, and that they will diligently fulfil the duties as supervisors if elected.</p> <p>The Company shall disclose detailed information relating to candidates for shareholder supervisors ten days before the general meeting is convened, so that the shareholders will have sufficient understanding of the candidates in voting.</p>	<p>Article 208 The Supervisory Committee shall comprise shareholder’s representatives and an appropriate proportion of corporate representatives, including one employee representative and two shareholder’s representatives. The method and procedure for nominating shareholder supervisors are:</p> <p>(I) the candidates for shareholder supervisors shall be nominated by the Supervisory Committee or shareholder(s) severally or jointly holding more than 3% of the total number of the voting shares of the Company, and shall be elected at a general meeting of the Company.</p> <p>(II) the candidates for shareholder supervisors shall, before the notice of the general meeting is sent, provide written undertakings that they accept the nomination, that the information announced about them is true and complete, and that they will diligently fulfil the duties as supervisors if elected.</p> <p>The Company shall disclose detailed information relating to candidates for shareholder supervisors ten days before the general meeting is convened, so that the shareholders will have sufficient understanding of the candidates in voting.</p>

Original Articles	Amended Articles
<p>Article 244 The specific profit distribution policy of the Company:</p> <p>...</p> <p>(V) minimum ratio of cash dividends and differentiated cash dividend policies</p> <p>In any three consecutive years, the profits that the Company have accumulatively distributed in cash shall not be less than 30% of the annual average distributable profits realized in these three years; and generally, the profits annually distributed in cash shall not be less than 10% of the distributable profits in the current year. Share repurchase by means of offering or centralized bidding in consideration of cash shall be deemed as cash dividend and included in the percentage of cash dividend.</p> <p>...</p>	<p>Article 244 The specific profit distribution policy of the Company:</p> <p>...</p> <p>(V) minimum ratio of cash dividends and differentiated cash dividend policies</p> <p>In any three consecutive years, the profits that the Company have accumulatively distributed in cash shall not be less than 30% of the annual average distributable profits realized in these three years; and generally, the profits annually distributed in cash shall not be less than 10% of the distributable profits in the current year. Share repurchase by means of offering or centralized bidding in consideration of cash shall be deemed as cash dividend and included in the percentage of cash dividend <u>in the current year.</u></p> <p>...</p>

The proposed amendments to the rules of procedures for shareholders’ meetings are as follows:

<p>Article 1 In order to clarify the responsibility and authority of a general meeting (hereinafter referred to as “the general meeting”) of WuXi AppTec Co., Ltd., regulate the procedures of the general meeting of the Company, protect the legal rights and interests of the shareholders, and ensure the efficient exercise of voting rights among shareholders, the Company has formulated these rules of procedures in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as “the Company Law”), the Securities Law of the People’s Republic of China, the Code of Corporate Governance for Listed Companies, the Guidelines for the Articles of Association of Listed Companies, the Rules Governing General Meetings of Listed Companies (hereinafter referred to as “the Rules of General Meetings”), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas, the Letter for Comments on the Amendments to Articles of Association of Companies Listed in Hong Kong (Zheng Jian Hai Han [1995] No. 1), the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as “Hong Kong Listing Rules”) and other relevant laws and regulations, regulatory documents and the Articles of Association of WuXi AppTec Co., Ltd.</p>	<p>Article 1 In order to clarify the responsibility and authority of a general meeting (hereinafter referred to as “the general meeting”) of WuXi AppTec Co., Ltd., regulate the procedures of the general meeting of the Company, protect the legal rights and interests of the shareholders, and ensure the efficient exercise of voting rights among shareholders, the Company has formulated these rules of procedures in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as “the Company Law”), the Securities Law of the People’s Republic of China, the Code of Corporate Governance for Listed Companies, the Guidelines for the Articles of Association of Listed Companies, the Rules Governing General Meetings of Listed Companies (hereinafter referred to as “the Rules of General Meetings”), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas, the Letter for Comments on the Amendments to Articles of Association of Companies Listed in Hong Kong (Zheng Jian Hai Han [1995] No. 1), <u>the Approval on Matters including Adjustments to Notice Period for Convening the General Meeting Applicable to Companies Listed Overseas issued by the State Council (Guo Han [2019]No. 97)</u>, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as “Hong Kong Listing Rules”) and other relevant laws and regulations, regulatory documents and the Articles of Association of WuXi AppTec Co., Ltd.</p>
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<p>Article 18 When the Company is to convene a general meeting, it shall send written notice to all shareholders whose names appear on the register of shareholders forty-five days prior to the date of the general meeting, specifying the matters to be considered and the date and place of the meeting. Shareholders who intend to attend the general meeting shall send a written reply on their intention to attend the meeting to the Company twenty days prior to the date of meeting.</p> <p>The aforesaid “forty-five days” or “twenty days” period counted by the Company shall not include the day on which the meeting is convened, but shall include the day on which the notice is issued.</p>	<p>Article 18 When the Company is to convene <u>an annual general meeting</u>, it shall send written notice to all shareholders whose names appear on the register of shareholders forty-five<u>twenty workdays</u> prior to the date of the general meeting;; when the Company is to convene an <u>extraordinary general meeting</u>, it shall send <u>written notice ten workdays or fifteen days (whichever is longer)</u> prior to the date of the <u>general meeting</u>. Such notice shall specifying<u>specifying</u> the matters to be considered and the date and place of the meeting. Shareholders who intend to attend the general meeting shall send a written reply on their intention to attend the meeting to the Company twenty days prior to the date of meeting.</p> <p>The aforesaid “forty-five<u>twenty</u> workdays”, “ten<u>ten</u> workdays” or “twenty-five<u>twenty</u> days” period counted by the Company shall not include the day on which the meeting is convened, but shall include <u>and</u> the day on which the notice is issued.</p>
<p>Article 19 The Company calculates the number of voting shares represented by the shareholders intending to attend the meeting according to the written replies received twenty days prior to the convention of the general meeting. When the number of voting shares represented by the shareholders intending to attend the meeting exceeds a half of the total number of shares of the Company with voting right, the Company may hold the general meeting; if not, the Company shall, within five days, inform the matters to be considered at the meeting, and the date and place of the meeting to the shareholders again in form of announcement. After the notice, the Company may convene the general meeting. No matters not stated in the notice shall be resolved at an extraordinary general meeting.</p>	<p>Article 19 The Company calculates the number of voting shares represented by the shareholders intending to attend the meeting according to the written replies received twenty days prior to the convention of the general meeting. When the number of voting shares represented by the shareholders intending to attend the meeting exceeds a half of the total number of shares of the Company with voting right, the Company may hold the general meeting; if not, the Company shall, within five days, inform the matters to be considered at the meeting, and the date and place of the meeting to the shareholders again in form of announcement. After the notice, the Company may convene the general meeting. No matters not stated in the notice shall be resolved at an extraordinary general meeting.</p>

Article 23 Unless otherwise specified in the laws, administrative regulations, the listing rules of the stock exchange in the place where the stocks of the Company are listed or the Articles of Association, the notice of a general meeting shall be sent out to shareholders (whether they have voting rights at the general meeting or not) by a specific person or by post-paid mail. The addresses of the recipients are subject to the addresses registered in the register of shareholders. For shareholders of domestic shares, the notice of a general meeting may also be sent out in form of announcement.

The announcement stated in the preceding paragraph shall be published on one or multiple periodicals designated by the securities regulatory authority of the State Council in the period of 45 ~ 50 days prior to the convention of the meeting. Once the announcement is published, it shall be deemed that all the shareholders of domestic shares have received the notice of the general meeting.

Under the precondition of conforming to relevant provisions of laws and regulations, meeting the requirements of the listing rules of the stock exchange in the place where the stocks of the Company are listed and performing relevant procedures, the Company may also send the notice of a general meeting to shareholders of overseas listed foreign shares listed in Hong Kong (hereinafter referred to as "H shares") of the Company by means of publishing the notice on the website of the Company and the websites designated by HKEX or in other ways permitted by Hong Kong Listing Rules and the Articles of Association, instead of sending the notice to H-share shareholders by a specific person or by post-paid mail.

Article 23 Unless otherwise specified in the laws, administrative regulations, the listing rules of the stock exchange in the place where the stocks of the Company are listed or the Articles of Association, the notice of a general meeting shall be sent out to shareholders (whether they have voting rights at the general meeting or not) by a specific person or by post-paid mail. The addresses of the recipients are subject to the addresses registered in the register of shareholders. For shareholders of domestic shares, the notice of a general meeting may also be sent out in form of announcement.

The announcement stated in the preceding paragraph shall be published on one or multiple periodicals designated by the securities regulatory authority of the State Council ~~in the period of 45 ~ 50 days prior to the convention of the meeting~~, the website of Shanghai Stock Exchange and any media satisfying the requirements prescribed by the securities regulatory authority of the State Council. Once the announcement is published, it shall be deemed that all the shareholders of domestic shares have received the notice of the general meeting.

Under the precondition of conforming to relevant provisions of laws and regulations, meeting the requirements of the listing rules of the stock exchange in the place where the stocks of the Company are listed and performing relevant procedures, the Company may also send the notice of a general meeting to shareholders of overseas listed foreign shares listed in Hong Kong (hereinafter referred to as "H shares") of the Company by means of publishing the notice on the website of the Company and the websites designated by HKEX or in other ways permitted by Hong Kong Listing Rules and the Articles of Association, instead of sending the notice to H-share shareholders by a specific person or by post-paid mail.

<p>Article 46 The following matters shall be approved by ordinary resolutions at a general meeting:</p> <p>(I) work reports of the Board and the Supervisory Committee;</p> <p>(II) the Company's profit distribution plan and loss recovery plan;</p> <p>(III) appointment and dismissal of the members of the Board and the Supervisory Committee, their remunerations and the method of payment thereof;</p> <p>(IV) the Company's annual budgets, final accounts, balance sheets, income statements and other financial statements;</p> <p>(V) the Company's annual reports;</p> <p>(VI) material transactions specified in Article 68 of the Articles of Association;</p> <p>(VII) external guarantees specified in Article 69 of the Articles of Association (excluding Item (II));</p> <p>(VIII) any connected transaction (excluding the provision of guarantee by the Company, receipt by the Company of cash donation, and any transaction that simply relieves the Company of obligatory debt) between the Company and the connected parties, whose amount is more than RMB30 million and accounts for more than 5% of the absolute value of the latest audited net assets of the Company;</p> <p>(IX) consideration and approval of matters relating to the changes in the use of proceeds from share offerings;</p>	<p>Article 46 The following matters shall be approved by ordinary resolutions at a general meeting:</p> <p>(I) work reports of the Board and the Supervisory Committee;</p> <p>(II) the Company's profit distribution plan <u>(excluding the circumstances stated in Article 245 (IV) of the Articles of Association)</u> and loss recovery plan;</p> <p>(III) appointment and dismissal of the members of the Board and the Supervisory Committee, their remunerations and the method of payment thereof;</p> <p>(IV) the Company's annual budgets, final accounts, balance sheets, income statements and other financial statements;</p> <p>(V) the Company's annual reports;</p> <p><u>(V)</u>(VI) material transactions specified in Article 68 of the Articles of Association;</p> <p><u>(VI)</u>(VII) external guarantees specified in Article 69 of the Articles of Association (excluding Item (II));</p> <p><u>(VII)</u>(VIII) any connected transaction (excluding the provision of guarantee by the Company, receipt by the Company of cash donation, and any transaction that simply relieves the Company of obligatory debt) between the Company and the connected parties, whose amount is more than RMB30 million and accounts for more than 5% of the absolute value of the latest audited net assets of the Company;</p>
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<p>(X) resolution on appointment or dismissal of the Company's accounting firm;</p> <p>(XI) other matters than those that should be passed by special resolutions pursuant to laws, administrative regulations, the listing rules of the stock exchange in the place where the stocks of the Company are listed or the Articles of Association.</p>	<p>(VIII) consideration and approval of matters relating to the changes in the use of proceeds from share offerings;</p> <p>(IX) resolution on appointment or dismissal of the Company's accounting firm;</p> <p>(X) other matters than those that should be passed by special resolutions pursuant to laws, administrative regulations, the listing rules of the stock exchange in the place where the stocks of the Company are listed or the Articles of Association.</p>
<p>Article 47 The following matters shall be approved by special resolutions at a general meeting:</p> <p>(I) increase or decrease of the registered capital of the Company and issuance of any class of stocks, stock warrants and other similar securities;</p> <p>(II) issuance of corporate bonds;</p> <p>(III) division, merger or transformation of organizational form of the Company;</p> <p>(IV) termination, dissolution, liquidation or extension of business term of the Company;</p> <p>(V) amendment to the Articles of Association;</p> <p>(VI) the Company's purchase, sale of major assets or guarantee within one year with the transaction amount exceeding 30% of the latest audited total assets of the Company;</p> <p>(VII) equity incentive plans;</p>	<p>Article 47 The following matters shall be approved by special resolutions at a general meeting:</p> <p>(I) increase or decrease of the registered capital of the Company and issuance of any class of stocks, stock warrants and other similar securities;</p> <p>(II) issuance of corporate bonds;</p> <p>(III) division, merger or transformation of organizational form of the Company;</p> <p>(IV) termination, dissolution, liquidation or extension of business term of the Company;</p> <p>(V) amendment to the Articles of Association;</p> <p>(VI) the Company's purchase, sale of major assets or guarantee within one year with the transaction amount exceeding 30% of the latest audited total assets of the Company;</p> <p>(VII) equity incentive plans;</p>

<p>(VIII) the acquisition of the corporate shares of the Company in accordance with Articles 29 (I) and (II) of the Articles of Association;</p> <p>(IX) any other matter specified in the laws, administrative regulations, the listing rules of the stock exchange in the place where the stocks of the Company are listed or the Articles of Association and confirmed by an ordinary resolution at a general meeting that it may have material impact on the Company and accordingly shall be approved by special resolutions.</p>	<p>(VIII) the acquisition of the corporate shares of the Company in accordance with Articles 29 (I) and (II) of the Articles of Association;</p> <p><u>(IX) the profit distribution plan in accordance with Article 245 (IV) of the Articles of Association;</u></p> <p><u>(X)</u>(IX) any other matter specified in the laws, administrative regulations, the listing rules of the stock exchange in the place where the stocks of the Company are listed or the Articles of Association and confirmed by an ordinary resolution at a general meeting that it may have material impact on the Company and accordingly shall be approved by special resolutions.</p>
<p>Article 52 The method and procedure for nominating directors and supervisors are:</p> <p>(I) the independent candidates for directors of the Company shall be nominated by the Board, Supervisory Committee or shareholder(s) severally or jointly holding more than 1% of the total number of the voting shares of the Company. The remaining candidates for directors shall be nominated by the Board, Supervisory Committee or shareholder(s) severally or jointly holding more than 3% of the total number of the voting shares of the Company.</p> <p>(II) the written notice on intention for nominating candidates for directors shall be sent to the Company no earlier than the issue date of the notice of the general meeting and no later than the 14th day prior to the convention of the general meeting. The nominator of an</p>	<p>Article 52 The method and procedure for nominating directors and supervisors are:</p> <p>(I) the independent candidates for directors of the Company shall be nominated by the Board, Supervisory Committee or shareholder(s) severally or jointly holding more than 1% of the total number of the voting shares of the Company. The remaining candidates for directors shall be nominated by the Board, Supervisory Committee or shareholder(s) severally or jointly holding more than 3% of the total number of the voting shares of the Company.</p> <p>(II) <u>for nomination by shareholders according to item (I) of this article,</u> the written notice on intention for nominating candidates for directors and nominees' willingness to accept the nominations shall be sent to the Company no earlier than the issue date of the notice of the</p>

<p>independent director shall seek the consent of the nominee before the nomination. The nominator shall fully understand the occupation, educational qualifications, job title, detailed work experience, all part-time jobs and other particulars of the nominee. The candidates for directors shall, no earlier than the issue date of the notice of the general meeting and no later than the 14th day prior to the convention of the general meeting, provide written notice and undertakings that they accept the nomination, that the information announced about them is true, accurate and complete, and that they will diligently fulfil the duties as directors if elected. The nominator of an independent director shall state his opinion on the nominee's qualification and independence to act as an independent director. The nominee for independent directors shall make a public announcement that there is no relation between the Company and him which may affect his independent judgement. Before the convention of the general meeting for election of independent directors, the Board of the Company shall disclose the contents relevant to the abovementioned directors. The period granted by the Company for lodging the above notice and documents by the relevant nominators and candidates for directors shall not be less than 7 days (such period shall commence from the date after the issue of the notice of the general meetings).</p> <p>(III) The candidates for supervisors elected from the general meetings shall be nominated by the Supervisory Committee or shareholder(s) severally or jointly holding more than 3% of the total number of the voting shares of the Company. The candidates for supervisors representing</p>	<p>general meeting and no later than the 14¹⁷th day prior to the convention^{date} of the general meeting. The nominator of an independent director shall seek the consent of the nominee before the nomination. The nominator shall fully understand the occupation, educational qualifications, job title, detailed work experience, all part-time jobs and other particulars of the nominee. The candidates for directors shall, no earlier than the issue date of the notice of the general meeting and no later than the 14th day prior to the convention of the general meeting, provide written notice and undertakings that they accept the nomination, that the information announced about them is true, accurate and complete, and that they will diligently fulfil the duties as supervisors if elected. The nominator of an independent director shall state his opinion on the nominee's qualification and independence to act as an independent director. The nominee for independent directors shall make a public announcement that there is no relation between the Company and him which may affect his independent judgement. Before the convention of the general meeting for election of independent directors, the Board of the Company shall disclose the contents relevant to the abovementioned directors. The period granted by the Company for lodging the above notice and documents by the relevant nominators and <u>their nominated candidates for directors</u> shall not be less than 7 days (such period shall commence from the date after the issue of the notice of the general meetings).</p> <p><u>(III) The candidates for directors shall provide written undertakings that they accept the nomination, that the information</u></p>
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<p>the employees shall be nominated by the union of the Company, and democratically elected at a staff representative assembly or otherwise.</p> <p>(IV) Where a proposal on election of directors or supervisors is passed at the general meeting, the directors elected or supervisors elected shall take office on the date when the resolution is passed at the general meeting, save as otherwise specified by the general meeting.</p>	<p><u>announced about them is true, accurate and complete, and that they will diligently fulfil the duties as directors if elected.</u></p> <p><u>(IV)(HH)</u> The candidates for supervisors elected from the general meetings shall be nominated by the Supervisory Committee or shareholder(s) severally or jointly holding more than 3% of the total number of the voting shares of the Company. The candidates for supervisors representing the employees shall be nominated by the union of the Company, and democratically elected at a staff representative assembly or otherwise.</p> <p><u>(V)(IV)</u> Where a proposal on election of directors or supervisors is passed at the general meeting, the directors elected or supervisors elected shall take office on the date when the resolution is passed at the general meeting, save as otherwise specified by the general meeting.</p>
<p>Article 77 Written notice of a class meeting shall be given to all shareholders who are registered as holders of that class in the register of shareholders forty-five (45) days before the date of the class meeting. Such notice shall give such shareholder notice of the matters to be considered at such meeting and the date and place of the class meeting. A shareholder who intends to attend the class meeting shall deliver his written reply in respect thereof to the Company twenty (20) days before the date of the class meeting.</p> <p>If the shareholders who intend to attend such class meeting represent more than half of the total number of shares of that class which have the right to vote at such meeting, the Company may hold the class meeting; otherwise, the</p>	<p>Article 77 Written notice of a class meeting shall be given to all shareholders who are registered as holders of that class in the register of shareholders <u>forty-five (45) days before the date of the class meeting in accordance with the provisions on notice period of annual general meetings and extraordinary general meetings under Article 18.</u> Such notice shall give such shareholder notice of the matters to be considered at such meeting and the date and place of the class meeting. A shareholder who intends to attend the class meeting shall deliver his written reply in respect thereof to the Company twenty (20) days before the date of the class meeting.</p> <p>If the shareholders who intend to attend such class meeting represent more than half of the</p>

<p>Company shall within five (5) days give the shareholders further notice of the matters to be considered and the date and place of the class meeting by way of public announcement. The Company may then hold the class meeting after such further notice has been given by public announcement.</p> <p>If the listing rules of the stock exchange in the place where the stocks of the Company are listed have special provisions, the special provisions shall prevail.</p>	<p>total number of shares of that class which have the right to vote at such meeting, the Company may hold the class meeting; otherwise, the Company shall within five (5) days give the shareholders further notice of the matters to be considered and the date and place of the class meeting by way of public announcement. The Company may then hold the class meeting after such further notice has been given by public announcement.</p> <p>If the listing rules of the stock exchange in the place where the stocks of the Company are listed have special provisions, the special provisions shall prevail.</p>
<p>Article 87 Any matters not covered by these rules of procedures shall be dealt with in accordance with the provisions of relevant laws and regulations, regulatory documents, the listing rules of the stock exchanges where the Company's shares are listed and the Articles. If these rules of procedures contravene any future laws and regulations, regulatory documents, the listing rules of the stock exchanges where the Company's shares are listed or the Articles as amended under legal procedures, the Board of the Company shall amend these rules of procedures promptly in accordance with the requirements of the abovementioned documents, and submit to the Board and general meeting for approval.</p>	<p>Article 87 Any matters not covered by these rules of procedures shall be dealt with in accordance with the provisions of relevant laws and regulations, regulatory documents, the listing rules of the stock exchanges where the Company's shares are listed and the Articles. If these rules of procedures contravene any future laws and regulations, regulatory documents, the listing rules of the stock exchanges where the Company's shares are listed or the Articles as amended under legal procedures, the Board of the Company shall amend these rules of procedures promptly in accordance with the requirements of the abovementioned documents, and submit to the Board and general meeting for approval.</p>
<p>Article 88 These rules of procedures shall come into effect when overseas listed foreign shares (H Shares) are listed on The Stock Exchange of Hong Kong Limited under a public offer subject to approval of the general meeting. The existing rules of procedures of the Gernerel Meeting of WuXi AppTec Co., Ltd. shall automatically lapse by then.</p>	<p>Article 88 These rules of procedures shall come into effect when overseas listed foreign shares (H Shares) are listed on The Stock Exchange of Hong Kong Limited under a public offer subject to approval of the general meeting. The existing rules of procedures of the Gernerel Meeting of WuXi AppTec Co., Ltd. shall automatically lapse by then.</p>

The proposed amendments to the rules of procedures for board meetings are as follows:

<p>Article 6 The Board may establish audit committee and remuneration and evaluation committee, as well as related special committees such as strategy committee and nomination committee based on actual needs. The special committees shall be accountable to the Board, and their proposals shall be submitted to the Board for consideration. Special committees may engage intermediaries to provide professional opinions at the expense of the Company. The Board shall formulate relevant rules to determine the terms of reference and composition of the special committees.</p>	<p>Article 6 The Board may establish <u>special committees such as strategy committee, audit committee, nomination committee,</u> and remuneration and evaluation committee, as well as related special committees such as <u>strategy committee and nomination committee based on actual needs according to relevant resolutions of the general meeting.</u> The special committees shall be accountable to the Board, and their proposals shall be submitted to the Board for consideration. Special committees may engage intermediaries to provide professional opinions at the expense of the Company. The Board shall formulate relevant rules to determine the terms of reference and composition of the special committees.</p>
<p>Article 14 The Company shall have a secretary to the Board, who shall be a senior management officer of the Company nominated by the chairman, appointed by the Board and accountable to the Board.</p> <p>...</p>	<p>Article 14 The Company shall have a secretary to the Board, who shall be a senior management officer of the Company nominated by the chairman, appointed by the Board and accountable to the Board, <u>and shall report to the chairman or CEO.</u></p> <p>...</p>
<p>Article 41 Minutes</p> <p>The secretary to the Board shall arrange staff of the office of the Board to take minutes of Board meetings. The minutes of the Board meetings shall be true, accurate and complete. The minutes shall specify:</p> <p>(I) the session, time, venue and form of the meeting;</p> <p>(II) the dispatch of the notice of meeting;</p> <p>(III) the convener and presider of the meeting;</p>	<p>Article 41 Minutes</p> <p>The secretary to the Board shall arrange staff of the office of the Board to take minutes of Board meetings. The minutes of the Board meetings shall be true, accurate and complete. The minutes shall specify:</p> <p>(I) the session, time, venue and form of the meeting;</p> <p>(II) the dispatch of the notice of meeting;</p> <p>(III) the convener and presider of the meeting;</p>

<p>(IV) the names of the attending directors and the directors (proxies) attending the meeting on behalf of others;</p> <p>(V) the agenda of the meeting, and the proposals considered and passed at the meeting, summaries of the speeches and major opinions of directors on the relevant issues and their voting intentions;</p> <p>(VI) the voting methods and outcome for each proposal (the outcome of the voting shall set out the respective number of assenting or dissenting or abstaining votes);</p> <p>(VII) other issues that the attending directors think should be recorded.</p>	<p>(IV) the names of the attending directors and the directors (proxies) attending the meeting on behalf of others;</p> <p>(V) the agenda of the meeting, and the proposals considered and passed at the meeting, summaries of the speeches and major opinions of directors on the relevant issues, and their voting intentions, <u>concerns and dissenting views</u>;</p> <p>(VI) the voting methods and outcome for each proposal (the outcome of the voting shall set out the respective number of assenting or dissenting or abstaining votes);</p> <p>(VII) other issues that the attending directors think should be recorded.</p>
<p>Article 48 The rules of procedure are formulated by the Board and shall come into effect on the date when the overseas listed foreign shares (H shares) of the Company are publicly issued and traded on HKEX after being considered and approved at the general meeting of the Company. From the effective date of the rules of procedure, the former Rules of Procedure for Board Meetings of Wuxi Apptec Co., Ltd. shall automatically go out of effect.</p>	<p>Article 48 The rules of procedure are formulated by the Board and shall come into effect on the date when the overseas listed foreign shares (H shares) of the Company are publicly issued and traded on HKEX after being considered and approved at the general meeting of the Company. From the effective date of the rules of procedure, the former Rules of Procedure for Board Meetings of Wuxi Apptec Co., Ltd. shall automatically go out of effect.</p>

APPENDIX XIII PROPOSED FOREIGN EXCHANGE HEDGING LIMIT

In accordance with its current business development and future development strategy, the international business volume of the Company will continue to increase with higher foreign exchange exposure. When the exchange rate fluctuates significantly, the gains and losses on foreign exchanges will have certain impact on the Company's operating performance. In order to effectively prevent the adverse impact of significant exchange rate fluctuations on its operations and reduce foreign exchange risk, the Company has carried out a foreign exchange hedging business with banks since 2017. With the global economic recovery, the divergence of monetary policy among countries has gradually emerged, the RMB exchange rate system has undergone in-depth reform, with increased fluctuations in the RMB exchange rate. Under this background, the Company believes that it is necessary to continue to carry out the forward foreign exchange settlement and sales business with banks in 2020 to lock the exchange rate, and reduce the impact of exchange rate fluctuations on its operating profit, in active response to the uncertainties in the exchange rate market.

Taking into consideration its export income level, the management of the Company proposes that the total amounts of the foreign exchange hedging business carried out by the subsidiaries within the scope of the Company and its consolidated statements in 2020 (hereinafter referred to as the “**subsidiaries**”) shall not exceed US\$2.0 billion or other equivalent foreign currencies. The term shall be from the date of the approval of this resolution at the general meeting of the Company to the date of the general meeting of 2020.

In order to standardize the foreign exchange derivatives trading business of the Company and its subsidiaries and ensure the safety of the Company's assets, the management proposes that the Board of Director, under authorization of the general meeting of the Company, further authorizes its financial department to carry out the foreign exchange derivatives trading business within the quota approved at the general meeting based on the business conditions and actual demand on the premise of being approved at the general meeting of the Company. All the foreign exchange derivatives trading businesses of all subsidiaries shall be reported to the Company's financial department for approval, and then further complete its own internal procedures before the relevant businesses can be implemented.

The Board has assessed each of the relevant matters of the Company with reference to the qualifications and conditions of the Proposed Non-public Issuance of A Shares, and is of the view that, the Company fulfils all conditions of non-public issuance of RMB denominated ordinary shares (A Shares) as required by the following laws and regulations:

Relevant rules and regulations regarding non-public issuance of A shares of listed companies**I. Relevant Provisions in the Company Law of the People’s Republic of China**

Article 126 Any issuance of shares shall be conducted with fairness and impartiality.

Shares of the same class shall have the same rights and benefits. Shares of the same class issued at the same time shall be issued at the same price and shall be subject to the same conditions. The price of shares purchased by any organization or individual shall be the same.

Article 127 Shares may be issued at a price equal to or at a premium to their par value, but shall not be issued at a price below par value.

II. Relevant Provisions in the Securities Law of the People’s Republic of China (Revised in 2019)

Article 9 Non-public issuance of securities shall not adopt the methods of advertising, public inducement or disguised publicity campaigns.

Article 12 Any listed company that makes a new share issuance shall satisfy the requirements specified by the securities regulatory authority under the State Council upon approval of the State Council, and the specific administrative measures shall be prescribed by the securities regulatory authority under the State Council.

III. Relevant Provisions in the Administrative Measures for the Issuance of Securities by Listed Companies (Revised in 2020) (the “Administrative Measures”)

Article 10 The amount and utilization of the proceeds by a listed company shall satisfy the following provisions:

- (1) The amount of proceeds shall not exceed the required amount of the project;

- (2) The use of the proceeds shall be in line with the industrial policies of the state as well as the laws and administrative regulations on environmental protection and land management;
- (3) Except for a financial enterprise, proceeds at the present time shall not be used as financial investments such as holding transactional financial assets or financial assets available for sale. It may not be borrowed by others or used as entrusted financing, nor may it be used to invest directly or indirectly in any company which engages primarily in the buying and selling of securities;
- (4) The investment project may not result in competition with the controlling shareholder or the actual controller, nor may it affect the company's independence in production and business operations; and
- (5) It shall formulate rules on the special deposit of the proceeds and shall deposit the raised funds in a special account as designated by its board of directors.

Chapter III Conditions for Non-public Issuance of Shares

Article 36 The term “non-public issuance of shares” as mentioned in these Administrative Measures refers to the non-public issuance of shares to specified targets by a listed company.

Article 37 The specified targets of non-public issuance of shares shall satisfy the following provisions:

- (1) the specified targets shall meet the conditions as stated in the resolution of the assembly of shareholders; and
- (2) the number of specified targets may not exceed 35.

Article 38 To make a non-public issuance of shares, a listed company must meet the following provisions:

- (1) the issuance price may not be lower than 80% of the average price of the company's shares during the 20 transaction days prior to the date of benchmark pricing;

- (2) the issued shares may not be transferred to any other person within six months of the end of issuance; the shares subscribed to by the controlling shareholder or actual controller and the enterprises it controls may not be transferred to any other person within 18 months;
- (3) the utilization of the proceeds must satisfy the provisions of Article 10 of these Administrative Measures; and
- (4) if the issuance will result in any change in the controlling power of the listed company, it must meet all other provisions of the CSRC.

Article 39 In the event that any listed company encounters any of the following circumstances, it may not make any non-public issuance of shares:

- (1) The application documents for the present issuance contain false record, misleading statements or serious omissions;
- (2) The rights and interests of the listed company were severely injured by its controlling shareholder or actual controller and the impairment has not yet been eliminated;
- (3) The listed company or its subsidiary company has illegally provided any guaranty to any other person and the guaranty has not yet been cancelled;
- (4) Any of the incumbent directors or senior management members of the listed company have ever received any administrative punishment by the CSRC within the past 36 months or has been condemned publicly by the stock exchange within the past 12 months;
- (5) The listed company or any of its incumbent directors, senior management members is under investigation by the judicial system due to any suspected crime or is being investigated by the CSRC due to any suspected violation;
- (6) The listed company has ever been issued any qualified audit report with reserved opinions or adverse opinions or any audit report as issued by a certified accountant within which it is difficult for the certified account to express his opinions for the listed company's financial statements during the latest year and during the latest period, unless the consequences of the events involved therein have been eliminated or unless the present offering involves significant restructuring; or

- (7) Other circumstances under which the legitimate rights and interests of the investors, and social and public interests are severely injured.

IV. Relevant Provisions in Implementing Rules for Non-public Issuance of Shares by Listed Companies (Revised in 2020)

Article 2 The non-public issuance of shares by listed companies shall be conducive to reducing related-party transactions, avoiding horizontal competition, enhancing independency, increasing asset quality, improving financial status and enhancing continuous profitability.

Chapter II Issuance Targets and Subscription Conditions

Article 7 The pricing benchmark date as mentioned in the Administrative Measures refers to the benchmark date for calculating the bottom price of the issuance. The pricing benchmark date is the first date of the issuance period of the non-public issuance of shares.

The listed company shall issue the shares at a price not lower than the bottom issuing price.

The calculation formula for the average trading price of shares for the 20 trading days prior to the pricing benchmark date shall be: average trading price of shares for the 20 trading days prior to the pricing benchmark date = total turnover of share trading for the 20 trading days prior to the pricing benchmark date/total quantity of shares traded for the 20 trading days prior to the pricing benchmark date.

Article 8 If the issuance targets fall under any circumstances not stated in Paragraph 2 of Article 7 hereof, the listed company shall determine the issuing price and issuance targets by way of auction in accordance with the provisions hereof after obtaining the issuance approval documents. The shares subscribed for by those issuance targets shall not be transferred within six months of the date on which the issuance comes to an end.

Article 9 The phrase that ‘the number of issuance targets shall not be more than 35’ as mentioned in the Administrative Measures means that the number of legal persons, natural persons and other legal investment organizations that subscribe for and obtain shares in the non-public issuance shall not be more than 35.

If a securities investment fund management company, securities company, qualified foreign institutional investor or RMB qualified foreign institutional investor subscribes via two or more products under its management, it shall be deemed as an issuance target.

Trust companies that are issuance targets shall only subscribe with their own funds.

V. Relevant Provisions in Questions and Answers on Issuance — Regulatory Requirements for Guiding and Regulating Fund-Raising Activities of Listed Companies (Revised in 2020)

Firstly, the listed company should reasonably determine the proportion of the proceeds used to supplement the working capital and to repay debts, taking full consideration of the existing monetary funds, asset-liability structure, business scale and trend, and future demand for working capital. Where funds are raised through rights offer, issuance of preference shares or non-public issuance where places are determined by the board of directors, all the proceeds may be used to supplement working capital and repay debts. Where funds are raised through other methods, the proportion used to supplement working capital and repay debts shall not exceed 30% of the total proceeds; for companies with light asset and heavy R&D investments, if the proportion used to supplement working capital and repay debts exceeds the above ratio, the company shall justify the reasonableness comprehensively.

Secondly, if a listed company applies for a non-public issuance of shares, the number of shares to be issued shall in principle not exceed 30% of the total issued capital before the issuance.

Thirdly, if a listed company applies for additional issuance, rights issue, or non-public issuance of shares, the resolution date of the board of directors for this issuance shall, in principle, be no less than 18 months from the date of the receipt of proceeds from the latest fund-raising. The company is exempted from such restriction if proceeds from the latest fund-raising has been substantially invested or if the investment purpose of the fund-raising did not change and the proceeds has been invested as planned; nonetheless, the corresponding interval shall in principle not be less than six months. The methods of the latest fund-raising include initial offerings, additional offerings, rights issues, and non-public issuance of shares. Listed company's issuance of convertible bonds, preference shares, and small-scale rapid financing on the Growth Enterprise Market is not subject to this Article.

Fourthly, when a listed company that is not a financial enterprise applies for refinancing, in principle, the company shall not hold a large amount of long term trading securities, or financial investments such as tradable financial assets, available-for-sale financial assets, funds borrowed to others, and entrusted financial management at the end of the latest accounting period.

This English Translation is for reference only. In the event of any discrepancy between the English translation and the Chinese version of the document, the Chinese Version shall prevail.

I. Plan for use of proceeds from this offering

The total proceeds from the Proposed Non-Public Issuance of A Shares of WuXi AppTec Co., Ltd. (the “**Company**”), which is RMB6,527.94 million (inclusive), shall be used for the investments in the following projects after deducting the relevant issuance expenses:

Unit: RMB10,000

SN	Project name	Investment amount	Amount of proceeds to be used
1	WuXi SynTheAll (“ STA ”) New Drug Pharmaceutical Development Service and Preparation Production Project (Phase I)	80,000	73,628
2	STA Global R&D center and supporting project	56,000	49,176
3	Changzhou STA new drug production and R&D center project (<i>Note</i>)	280,000	66,064
4	Changzhou STA new drug production and R&D integrated project	196,138	178,926
5	STA small molecule new drug production facilities upgrade project	30,000	30,000
6	WXAT Shanghai R&D platform technology upgrade project	60,000	60,000
7	Supplement to working capital project	195,000	195,000
	Total	897,138	652,794

Note: Construction of part of the project has completed. The proceeds will be used to fund the remaining construction works.

If the actual amount of net proceeds from the non-public issuance of A shares is less than the proposed amount of proceeds to be applied in the above projects, the Company will adjust and determine the final specific investment projects, order of priority and specific investment amounts of each project based on the actual amount of net proceeds and the priority of each project, and any shortfall in the investment amounts will be made up by utilizing the internal capital of the Company or through other financing methods.

Prior to receipt of the proceeds to be raised from the non-public issuance of A shares, the Company may contribute self-raised funds in accordance with the actual needs and progress of the projects. Upon receipt of the proceeds to be raised, the Company will replace the funds in accordance with the requirements under relevant laws and regulations.

II. Feasibility analysis on the projects invested with the proceeds

(I) Project overview

1. WuXi SynTheAll (“STA”) New Drug Pharmaceutical Development Service and Preparation Production Project (Phase I)

(1) Project overview

The project will be implemented by STA, which plans to build a new drug preparation development service and preparation production base in Xinwu District, Wuxi City, including the development lab, the construction of preparation production workshop and pilot test workshop, and the purchase of production equipment and corresponding analytical and testing experimental instruments. After the completion of the project, the Company will be able to provide pre-prescription preparation research, preparation process development, clinical medication services for customers with an annual production capacity of 500 million tablets, 1 billion capsules and 15 million bottles of injection.

(2) Project investment estimate

The investment estimate of the project is RMB800 million as follows:

Unit: RMB10,000

No.	Project	Estimate of investment	Percentage
1	Construction	14,589.17	18.24%
2	Installation	10,732.99	13.42%
3	Acquisition of equipment	46,323.64	57.90%
4	Other assets	3,191.78	3.99%
5	General preparation	3,705.88	4.63%
6	Reserve	1,456.55	1.82%
	Total	80,000.00	100.00%

(3) Project benefit analysis

According to calculation, the after-tax IRR of the project is 16.29%, and the after-tax payback period is 7.52 years (including the construction period). The project has good economic benefits.

(4) Progresses of land use right acquisition, filing and environmental impact assessment procedures

The real estate certificate has been obtained for the project, the project establishment and filing procedures have been completed, and the EIA approval procedures are in progress.

2. STA Global R&D center and supporting project*(1) Project overview*

The project will be implemented by Shanghai STA, which plans to build a global research and development center in the existing factory of STA in the southern part of Jinshan Section of Shanghai Chemical Industrial Zone. Upon completion, the Company will have more than 700 researchers and assistants to provide various R&D services for customers all over the world, including production process and improvement, highly

active drug production technology, fluid chemicals, bio-enzyme, verification of production parameters, production safety assessment. By expansion of R&D team, the Company expects that its leading position in CDMO can be further consolidated.

(2) *Project investment estimate*

The investment estimate of the project is RMB560 million as follows:

Unit: RMB10,000

No.	Project	Estimate of investment	Percentage
1	Construction	14,141.43	25.25%
2	Installation	4,432.75	7.92%
3	Acquisition of equipment	30,194.16	53.92%
4	Other assets	2,807.51	5.01%
5	General preparation	2,522.54	4.50%
6	Reserve	1,901.61	3.40%
	Total	56,000.00	100.00%

(3) *Project benefit analysis*

According to calculation, the after-tax IRR of the project is 20.29%, and the after-tax payback period is 6.00 years (including construction period). The project has good economic benefits.

(4) *Progresses of land use right acquisition, filing and environmental impact assessment procedures*

The real estate certificate has been obtained for the project. The procedures of project establishment, filing, and EIA examination and approval have been completed.

3. Changzhou STA new drug production and R&D center project

(1) Project overview

The project will be implemented by Changzhou STA, which plans to build R&D centre, administration building, production facilities and analysis centre, these are R&D, production and ancillary facilities. The R&D centre, a number of production facilities and ancillary facilities have been completed. The proceeds to be raised will be used to complete the remaining construction. Upon completion, flexible and scalable drug production lines will be available to take up many production projects. It can also increase the commercial dry spray production capacity to meet part of the clinical trial projects. The Company expects that the project will complete in 2021.

(2) Project investment estimate

The investment estimate of the project is RMB2,800 million as follows:

Unit: RMB10,000

No.	Project	Estimate of investment	Percentage
1	Construction	63,991.59	22.85%
2	Installation	88,343.73	31.55%
3	Acquisition of equipment	93,717.84	33.47%
4	Other assets	13,619.10	4.86%
5	General preparation	12,788.61	4.57%
6	Reserve	7,539.14	2.69%
	Total	280,000.00	100.00%

(3) Project benefit analysis

According to calculation, the after-tax IRR of the project is 19.03%, and the after-tax payback period is 9.86 years (including construction period). The project has good economic benefits.

(4) *Progresses of land use right acquisition, filing and environmental impact assessment procedures*

The real estate certificate has been obtained for the project. The procedures of project establishment, filing, and EIA examination and approval have been completed.

4. *Changzhou STA new drug production and R&D integrated project*

(1) *Project overview*

The project will be implemented by Changzhou STA, which plans to build a new drug production and research and development integration base in the chemical industrial park of Changzhou Binjiang Economic Development Zone, and the project construction includes the construction of R&D centre and various API production workshops. We expect workshops to be build will begin operation in 2022 to meet increasing capacity need for API development and production services.

(2) *Project investment estimate*

The investment estimate of the project is RMB1,961.38 million as follows:

Unit: RMB10,000

No.	Project	Estimate of investment	Percentage
1	Construction	30,886.98	15.75%
2	Installation	50,894.74	25.95%
3	Acquisition of equipment	90,725.00	46.26%
4	Other assets	8,951.48	4.56%
5	General preparation	8,922.91	4.55%
6	Reserve	5,756.89	2.94%
	Total	196,138.00	100.00%

(3) *Project benefit analysis*

According to calculation, the after-tax IRR of the project is 19.56%, and the after-tax payback period is 7.19 years (including construction period). The project has good economic benefits.

(4) *Progresses of land use right acquisition, filing and environmental impact assessment procedures*

The real estate certificate has been obtained for the project. The procedures of project establishment, filing, and EIA examination and approval have been completed.

5. *STA small molecule new drug production facilities upgrade project*

(1) *Project overview*

The project will be implemented by Shanghai STA, which plans to purchase and upgrade development equipment for the analysis method, pre-prescription research, enzyme evolution and fermentation platforms.

(2) *Project investment estimate*

The project investment will be RMB300 million, as detailed below:

Unit: RMB10,000

No.	Platform	Estimate of investment	Percentage
1	Analysis method	9,913.00	33.04%
2	Pre-prescription research	6,871.00	22.90%
3	Enzyme evolution and fermentation technology	3,285.00	10.95%
4	Crystal and salt form research	2,660.00	8.87%
5	Crystal technology research	1,884.00	6.28%
6	Fluid chemical technology	1,828.00	6.09%
7	Chemical technology	1,030.00	3.43%
8	Prescription research	900.00	3.00%
9	Production parameter verification	837.00	2.79%
10	Production safety assessment	640.00	2.13%
11	Metal catalyst high volume screening technology	152.00	0.51%
	Total	30,000.00	100.00%

(3) Project benefit analysis

Although this project does not directly generate economic benefits, the establishment of production technology platforms will help improve its service ability, improve its technological innovation system in process research and development, improvement and production services, enhance its core technology reserves, to provide customers high quality technology development and preparation development service and win orders from customers.

(4) Progresses of land use right acquisition, filing and environmental impact assessment procedures

This project is an equipment purchase and upgrade project, for which the procedures of project registration and approval have been completed, and there is no need to go through the procedures of environmental impact assessment.

6. WXAT Shanghai R&D platform technology upgrade project*(1) Project overview*

The project will be implemented by WuXi AppTec (Shanghai) Co., Ltd., which plans to purchase and upgrade the R&D equipment for R&D, analysis and chemical compound of small molecule drug.

(2) Project investment estimate

The project investment will be RMB600 million, as detailed below:

Unit: RMB10,000

No.	Platform	Estimate of investment	Percentage
1	Small molecule drug R&D, analysis and chemical compound platform	26,656.00	44.43%
2	Integrated drug R&D platform	20,225.00	33.71%
3	Internal and external biology, structural biology, tumor and immunology research and service platform	13,119.00	21.87%
	Total	60,000.00	100.00%

(3) *Project benefit analysis*

Although this project does not directly generate economic benefits, it will upgrade the R&D equipment of WXAT Shanghai R&D center, which will improve the Company's ability of drug discovery, research and development services, improve its technology innovation system, enhance its core technology, speed up the construction of the research and development team, further enhance the Company's comprehensive strength, lay a solid foundation for the technological innovation of the Company, strengthen the competitiveness of its main business, strengthen the Company's competitive position in drug discovery and research and development services, thus having a significant impact on the Company's overall economic performance.

(4) *Progresses of land use right acquisition, filing and environmental impact assessment procedures*

This project is an equipment purchase and upgrade project, for which the procedures of project registration and approval have been completed, and there is no need to go through the procedures of environmental impact assessment.

7. *Supplement to working capital*

The Company intends to use the RMB1,950 million of the proceeds to supplement the working capital, so as to meet the its daily production and operation capital needs, further enhance its financial strength, to capitalize market opportunities to establish a enabling eco-system and to strengthen its market position.

(II) Necessity and feasibility of the project implementation**1. CDMO/CMO productivity construction project**

STA New Drug Pharmaceutical Development Service and Preparation Production Project (Phase I), STA global drug R&D centre and supporting project, Changzhou STA new drug production and R&D center project and Changzhou STA new drug production and R&D integrated project are CDMO/CMO productivity construction projects. The necessity and feasibility analysis for the above projects is as follows:

(1) Necessity of project implementation

- 1) The CDMO/CMO market is huge and the growth is fast.

According to Frost & Sullivan, the global CDMO/CMO market size increased from US\$42.9 billion in 2014 to US\$66.1 billion in 2018, representing a CAGR of 11.4%. The CDMO/CMO market size in China increased from 3.1 billion in 2014 to USD5.6 billion in 2018, representing a CAGR of 15.9%. It is expected that the market size will increase at a CAGR of 21.1% and reach US\$14.6 billion by 2023. The Company has to increase its production capacity and improve its services to meet the rapid growth of the industry.

- 2) The Company need to enhance its R&D capability and its customized R&D services to the evolving environment of drug R&D

The traditional business model of cooperation between CMO company and pharmaceutical company is “technology transfer + contract production”. The business model is changing to the “joint R&D + contract production” of CDMO model. Different from ordinary CMO, CDMO focuses on their R&D capability. They improve their traditional technology according to cGMP to complete contract R&D projects. CDMO companies can provide to pharmaceutical companies the process technology and improvement needed for production of new drugs, development of prescription and trial production. Furthermore, they can also provide contract production service at various scales from kilogram to 1,000 kilogram. Therefore, CDMO is a high risk, investment incentive, long term and sophisticated system with more professional and complex process.

The Company has to continuously improve its technology to establish a core technology barrier in response to the evolving pharmaceutical industry.

- 3) The Company has large CDMO/CMO project reserve and need to expand production capacity to meet the increasing market demand

With the investment of domestic and foreign pharmaceutical enterprises in new drug research and development and the increasing support from the Chinese government for new drug research and development, the market scale of new drug research and development at home and abroad continues to increase, and the Company's CDMO/CMO business demand keeps rising. At the same time, the Company firmly promotes the strategy of "expanding services following the development of drug molecules", and continuously wins new post-clinical and commercialization projects by establishing close cooperation relationship with customers in the pre-clinical stage. As at the end of 2019, the Company had about 1,000 pre-clinical, clinical and commercialization projects, including 40 Phase III clinical trials and 21 projects in commercial manufacturing. The existing production capacity of CDMO/CMO cannot meet the increasing market demand. The proceeds for the offering will be used to increase the production capacity of CDMO/CMO and the production will be expanded smoothly to meet the increasing market demand.

- 4) The Company is the leading enterprise of CDMO/CMO industry which is required to improve capacity to maintain core competitiveness

In recent years, the development environment for innovative drugs in China has been improving, the reform of the drug review and approval system has been deepened, and the preferential review and approval policy has been continuously improved and implemented. As a result, the number of innovative drugs marketed in China has continued to rise, and it has also attracted major pharmaceutical companies from all over the world to continuously increase their R&D and innovation investment in China. Drug companies are prudent in their choice of CDMO/CMO companies, favoring companies with strong qualifications and less changing partners during the development of new drugs. The Company has the world's largest small-molecule process research and development team and outstanding chemical innovative drug research, development and production capacity and technology platform. It is the first small-molecule new drugs research and development and production platform in China that has passed the on-site verification of FDA. It has been repeatedly certified as "zero defect" by FDA, and has been approved and certified by drug regulatory authorities in the United States, China, the European Union, Japan, Canada, Switzerland, Australia and New Zealand. The proceeds for the offering will be used to improve the production

capacity of CDMO/CMO, further giving full play to the Company's CDMO/CMO business advantages, so as to maintain and increase the Company's core competitiveness to better satisfy customer's need.

(2) *Feasibility of project implementation*

- 1) Favorable policies escort the construction of the projects invested with the proceeds of the Company

In August 2019, the 12th meeting of the standing committee of the 13th session of National People's Congress adopted the revised Drug Administration Law and decided to fully implement the MAH system to separate the approval of sales and production so as to reduce redundant production capacity for higher production efficiency. In particular, small pharmaceutical companies without production are encouraged to participate in R&D. The outsourcing of production is inevitable. In addition, China has actively promoted the reform of the review and approval system for pharmaceuticals and medical devices in recent years and issued a series of favorable industry policies, including consistency evaluation of generic drugs and reform of the healthcare payment system, which promoted the continuous growth of the pharmaceuticals R&D industry in China and also provided policy support for the construction of the projects invested with the proceeds of the Company.

- 2) Extensive customer resources and platform advantages ensure the capacity digestion of the projects invested with the proceeds

Different from the traditional CMO which focuses on the commercial production stage, The Company's business, with the advantages of a comprehensively integrated new drug research and development and production service platform, covers from the development and preparation of new drug pre-clinical process, to the process optimization and large-scale production in the commercialization stage of marketed drugs, providing efficient, flexible and high-quality one-stop solution for new drug development partners. The Company will start to participate in the process development and production of new drugs from the pre-clinical stage, and continuously optimize the process and expanded the production scale with the continuous progress of the clinical trials of new drugs under research, so as to realize comprehensive services, including innovative drug technology development, API R&D and commercial production, preparation R&D

and commercial production, drug stability research and drug registration declaration information drafting service, and finally become a commercial production supplier to customers.

As of December 31, 2019, the Company provided services for more than 3,900 customers (active customers) from over 30 countries through the 29 operating bases and branches in China, the United States, Europe and other parts of the world. The Company's customers include the top 20 pharmaceutical companies in the world, including Pfizer, Johnson & Johnson, Novartis, Roche, Merck and Gilead. In addition, the Company adheres to The Long Tail Strategy, dedicating to provide high quality pharmaceutical R&D service for worldwide range of small and medium customers. With the continuous enhancement of the number and types of the enabling platform services, the number of new and old customers of the Company has been growing steadily. In particular, the Company firmly promotes the strategy of "expanding services following the development of drug molecules", and continuously wins new post-clinical and commercialization projects by establishing close cooperation relationship with customers in the pre-clinical stage. Therefore, extensive customer resources and platform advantages of the Company ensure the capacity digestion of the projects.

- 3) The leading technical team provides full intellectual security for the successful implementation of the project

The Company has an experienced and outstanding R&D team and has the biggest small molecule technology R&D team in the world. As of 31 December 2019, the Company has 21,744 employees in aggregate, of which 7,472 employees has obtained master's degree or above, 1,022 employees has doctorate or equivalent degree. Meanwhile, the Company owns a large R&D team with 17,000 workers, most of which has working experience in overseas well-known pharmaceutical companies and education experience in overseas famous colleges and universities. The leading technical team provides full intellectual security for the successful implementation of the project.

- 4) Profound technical background lays a solid technical foundation for the successful implementation of the project

Efficient and professional technical team is an important part of CDMO enterprise's core competitiveness, and also the basis and key for CDMO enterprise to survive and develop. The Company insists on being technology-driven, continuing to carry on technology innovation and independent research and

development of core technologies. The Company's CDMO/CMO service has profoundly accumulated and greatly developed in a number of new technologies. The Company's API research and development has realized the extension of small molecule drugs to a variety of new drug molecules. We have invested in the research and development platform of oligonucleotides and polypeptide drugs, and continue to improve the research and development capabilities in fluid chemistry, enzyme catalysis, crystallization and micronization. In terms of preparations, the Company has developed a comprehensive capacity covering pre-prescription preparation research, preparation process development, R&D production and solid preparation commercial production, and continued to conduct preparation process research of insoluble drugs and the development and application of spray drying, such as spray drying, hot melt extrusion, nano suspension and other new technologies. Therefore, the Company's profound technical foundation lays solid technical foundation for the successful implementation of the project.

2. *R&D platform facility upgrade project*

STA small molecule new drug production facilities upgrade project and Shanghai R&D platform technology upgrade project are R&D platform facility upgrade projects. The necessity and feasibility of project implementation are as follows:

(1) *Necessity of project implementation*

- 1) Due to the factors such as full load operation and technical update, it is difficult for some R&D equipment to meet the needs of efficient operation

The Company is a leading open platform providing integrated pharmaceutical R&D services and technology. With various customer resources, our R&D services have always maintained relatively high capacity utilization. Because some R&D equipment is in or close to the state of full load operation, equipment consumption and depreciation are serious. It is difficult to meet the needs of efficient operation. In addition, Due to the emerging of cutting-edge technologies, some equipment technologies keep rapid upgrading, resulting in functional depreciation, which restricts the normal operation and forward-looking layout of the Company's R&D services. Through R&D equipment purchase and upgrading, we can avoid the above problem, satisfy our daily R&D needs, and maintain the advancement of the R&D services.

- 2) Improving the Company's R&D capacity and efficiency, promoting service quality and customer experience, thus enhancing the core competitiveness

Advanced R&D service capability and technological innovation are the basis for the survival and development of medical R&D service enterprises, and also the concentrated embodiment of the core competitiveness. The advancement of equipment is an important representative and embodiment of R&D service capability. This offering is implemented to replace and upgrade STA small molecule new drug production facilities and WXAT Shanghai R&D platform facilities, which can avoid the situation of low R&D efficiency and backward technological achievements caused by backward equipment, comprehensively improve the Company's R&D ability and efficiency, and improve the customer's service quality and experience, thus making full use of the Company's R&D advantage in new technical platforms. Furthermore, the upgrading of R&D devices can facilitate the Company to achieve test results, improve test efficiency and service quality, thus enhancing the core competitiveness of the Company.

(2) Necessity of project implementation

APPTEC is an open-access platform with internationally leading capabilities and capacities, providing comprehensive integrated laboratory research and development and production services from drug discovery, development to marketization to international and domestic leading pharmaceutical companies. After 20 years of rapid development, the Company has accumulated rich industry experience and acquired in-depth industrial insights. Such experiences make us understand the latest industry trends and keep updated to meet customer needs, thus laying a solid foundation for the implementation of the project.

3. *Supplement to working capital*

- (1) To timely grasp the market opportunities, create an innovative and enabling ecosystem, and further consolidate its position in the industry*

The Company continues to implement its business expansion and strategic layout based on the industry trend. While maintaining the continuous growth of the main business, the platform innovation capability of the Company has been continuously enhanced. However, in the meantime, the capital pressure arising from the business expansion and strategic deployment keeps increasing. Therefore, with additional

liquidity, the Company can timely grasp the market opportunities, create an innovative and enabling ecosystem, response to domestic and overseas new situations, expand the Company's "moat", and further consolidate its position in the industry.

(2) To meet the daily capital needs, optimize the Company's capital structure and improve financial soundness

The Company has always focused on the main business, providing customers with a full range of integrated R&D and production services from drug discovery, development to commercialization. Since the listing, the business of each sector of the Company has maintained continuous and rapid growth. As the business scale of the Company continues to increase, the demand for working capital continues to increase. The proceeds are conducive to meeting the daily capital needs, optimizing the Company's capital structure, and improving its financial soundness.

III. Impact of the proposed non-public issuance of A Shares on the operation management and financial position of the Company

(I) Impact of the proposed non-public issuance of A Shares on the operation management of the Company

Upon the completion of the proposed non-public issuance of A Shares, the proceeds will be mainly used for the STA New Drug Pharmaceutical Development Service and Preparation Production Project (Phase I), STA Global R&D center and supporting project, Changzhou STA new drug production and R&D center project, Changzhou STA new drug production and R&D integrated project, STA small molecule new drug production facilities upgrade project and WXAT Shanghai R&D platform technology upgrade project and to supplement the working capital. The above-mentioned fund-raising investment projects are in line with the relevant national industrial policies, have broad market development prospects and good economic benefits, and are important strategic measures for the Company's future development. The implementation of this fund-raising investment project will help the Company expand production capacity, strengthen the service capacity of the whole industrial chain, especially CDMO/CMO, and improve the drug process research and development ability, in order to maintain the advancement of technology, improve R&D efficiency and continuously enhance customer service quality. It can further enhance the Company's financial strength, provide a full guarantee for deepening the "integration, end-to-end" strategic deployment, consolidate the industry position of the Company and enhance its core competitiveness.

(II) Impact of the proposed non-public issuance of A Shares on the financial position of the Company

Upon the completion of the proposed non-public issuance of A Shares, the total assets and net assets of the Company will increase, and the asset-liability ratio will decrease, which will help to optimize the Company's asset-liability structure and improve its ability to resist risks. Upon the completion of the proposed non-public issuance of A Shares, the total share capital of the Company will increase. However, because it takes some time for the fund raising investment project to fully release operating benefits, the Company's financial indexes such as return on equity and earnings per share may be affected to some extent in the short term. However, in the medium and long term, the implementation of the projects invested with proceeds will help the Company expand its business scale, enhance its competitive strength, and promote its sustainable development and profitability.

IV. Conclusion of the feasibility analysis on the projects invested with the proceeds

The Board of Directors believes that the use of the proceeds from the proposed non-public issuance of A Shares are in line with the relevant national policies, laws and regulations, industry development trend and the development strategy of the Company. The implementation of the projects invested with the proceeds will further optimize the Company's capital structure, enhance its comprehensive strength, and provide support for its sustainable development, which is in line with the interests of the Company and all shareholders. Therefore, the projects invested with the proceeds are necessary and feasible.

This English Translation is for reference only. In the event of any discrepancy between the English translation and the Chinese version of the document, the Chinese Version shall prevail.

The proposal regarding the report on use of proceeds from previous offering is as follows:

I. Amount, time of receipt and deposit of proceeds from previous offering

1. Proceeds from initial public offering of A-shares

According to the approval of the CSRC in the Reply on Approving the Initial Public Offering of WuXi AppTec Co., Ltd.* (Zheng Jian Xu Ke [2018] No.678), the Company publicly issued 104,198,556 RMB ordinary shares (A shares) on the Shanghai Stock Exchange at the price of RMB21.60 per share. The total amount of fund raised from the offering was RMB2,250,688,809.60. After deducting the offering expense of RMB120,403,409.60, the actual net proceeds was RMB2,130,285,400.00. The actual amount received was RMB2,160,661,257.22, including other offering expense that had not been transferred, which was RMB30,375,857.22 (of which, other offering expense that had been paid from the Company's own capital account was RMB12,518,414.65, and other offering expense that had not been paid was RMB17,857,442.57). All the above funds were received on May 2, 2018, and examined by Deloitte Touche Tohmatsu (a special general partnership) (德勤華永會計師事務所(特殊普通合夥)), which issued the capital verification report of De Shi Bao (Yan) Zi (18) No.00197.

To standardize the Company's fund raising management and protect the rights and interests of investors, the Company, Huatai United Securities Co., Ltd. ("**the Sponsor**") and the opening bank of the special account for proceeds signed the Agreement on Tripartite Supervision of Proceeds, and opened a special account for depositing the proceeds exclusively in accordance with the Regulatory Guidelines for Listed Companies No.2 — Regulatory Requirements for the Management and Use of Funds Raised by Listed Companies, the Regulations on Fund Raising of Listed Companies in Shanghai Stock Exchange (Revision 2013) and other relevant laws and regulations and the Measures on Management of Raised Funds of WuXi AppTec Co., Ltd.*.

The Company deposited the above-mentioned proceeds in the special accounts for proceeds opened with Ping'an Bank Shanghai Branch (account No.: 15062018041800), China Merchants Bank Shanghai Pilot Free Trade Zone Branch (account No.: 510902041010802), Bank of Communications Heleikou Subbranch, Wuxi (account No: 322000611018018030891) and Shanghai Pudong Development Bank Baoshan Branch (account No.: 98460078801700000461).

The Company held the 18th meeting of the first board of directors and the 12th meeting of the first board of supervisors on May 14, 2018, respectively deliberating and passing the Proposal on Increasing Capital Contribution to Subsidiaries with Proceeds. The Company intended to increase the capital contribution with the proceeds to WuXi AppTec (Suzhou) Co., Ltd. (formerly known as Suzhou APPTEC CO., LTD.) (“**Suzhou APPTEC**”), Tianjin APPTEC CO., LTD. (“**Tianjin APPTEC**”) and Shanghai APPTEC CO., LTD. (“**Shanghai APPTEC**”) (Suzhou APPTEC, Tianjin APPTEC and Shanghai APPTEC collectively referred to as the “**Subsidiaries**”) for the construction of the relevant investment projects.

In light of the above situations, to standardize the Company’s fund raising management and protect the rights and interests of investors, the Company, the Sponsor, the Subsidiaries and the opening bank of the special account for proceeds signed the Agreement on Quadripartite Supervision of Proceeds in accordance with the Regulatory Guidelines for Listed Companies No.2 — Regulatory Requirements for the Management and Use of Funds Raised by Listed Companies, the Regulations on Fund Raising of Listed Companies in Shanghai Stock Exchange (Revision 2013) and other relevant laws and regulations and the Measures on Management of Raised Funds of WuXi AppTec Co., Ltd.*.

Details of the special accounts for proceeds opened according to the Agreement on Quadripartite Supervision of Proceeds are as follows:

Unit: RMB

Bank	Company name	Bank Account	Initial capital increase amount	Use of special account
Shanghai Pudong Development Bank Baoshan Branch	Suzhou APPTEC	98460078801200000493	338,229,310.00	Expansion of Suzhou drug safety evaluation center
Ping’an Bank Binhai Subbranch, Tianjin	Tianjin APPTEC	15000093177419	384,120,328.00	Tianjin chemical research and development laboratory expansion and upgrading project
China Merchants Bank Shanghai Pilot Free Trade Zone Branch	Shanghai APPTEC	510902047310103	200,000,000.00	Headquarters and R&D centers for analytical and diagnostic services (91#, 93#) of APPTEC

As of December 31, 2019, the ending balance of the bank accounts for the proceeds of the Company and the Subsidiaries amounted to RMB203,503,665.96, which is deposited as follows:

Unit: RMB

Name of the Opening Bank	Company name	Account number	Time of receipt	May 02, 2018 Initial deposit amount	December 31, 2019 Deposit balance
Ping'an Bank Shanghai Branch	The Company	15062018041800		564,000,000.00	91,580,860.63
China Merchants Bank Shanghai Pilot Free Trade Zone Branch	The Company	510902041010802	May 02, 2018	200,000,000.00	110,791.35
Bank of Communications Heleikou Subbranch, Wuxi	The Company	322000611018018030891		669,461,457.22	6,345,220.89
Shanghai Pudong Development Bank Baoshan Branch	The Company	98460078801700000461		727,199,800.00	59,549,475.66
Shanghai Pudong Development Bank Baoshan Branch	Suzhou APPTEC	98460078801200000493		0.00	4,657,935.11
Ping'an Bank Binhai Subbranch, Tianjin	Tianjin APPTEC	15000093177419	N/A	0.00	41,256,337.58
China Merchants Bank Shanghai Pilot Free Trade Zone Branch	Shanghai APPTEC	510902047310103		0.00	3,044.74
Total				<u>2,160,661,257.22</u>	<u>203,503,665.96</u>

Note: the balance at the end of the year includes the net amount of RMB62,164,161.50 of the accumulated bank deposit interest and income from financial products minus bank fees.

2. Proceeds from public offering of H-shares

According to the approval of the CSRC in the Reply on Approving the Issuance of Overseas Listed Foreign Capital Shares by WuXi AppTec Co., Ltd.* (Zheng Jian Xu Ke [2018] No.1792), the Company publicly issued 116,474,200 overseas listed foreign capital shares (H shares) on the Hong Kong Stock Exchange at the price of HK\$68.00 per share (equivalent to RMB59.84 per share). The total amount raised was fully paid in Hong Kong dollars, which was HK\$7,920,245,600.00), equivalent to RMB6,969,578,520.63. As of December 13, 2018, after deducting the underwriting and sponsor fee of HK\$215,119,173.43 (equivalent to RMB189,298,419.05) and other share trading expenses of HK\$832,305.91 (equivalent to RMB732,404.23) and receiving the interest income of HK\$191,938.17 (equivalent to RMB168,899.83), the proceeds actually received was HK\$7,704,486,058.83 (equivalent to RMB6,779,716,597.18). After deducting other offering expense of RMB55,219,996.35 and

receiving the interest income of RMB168,899.83, the net proceeds was HK\$7,641,541,985.53 (equivalent to RMB6,724,327,701.00). All the above funds were received on December 13, 2018, and examined by Deloitte Touche Tohmatsu (a special general partnership) (德勤華永會計師事務所(特殊普通合夥)), which issued the capital verification report of De Shi Bao (Yan) Zi (19) No.00057.

The Company deposited the above proceeds in the special account for proceeds opened with Bank of China (Hong Kong) (account No.: 012-687-2-012947-3). The initial deposit amount was HK\$7,704,486,058.83 (equivalent to RMB6,779,716,597.18). The balance as at December 31, 2019 was HK\$2,660.45 (equivalent to RMB2,383.18). As of December 31, 2019, the unused proceeds have been transferred to other bank accounts of the Company and related subsidiaries.

3. Over-allotment of the public offering of H-shares

According to the requests of the joint global coordinators of the overseas offering (on behalf of the international underwriters) for partial exercise of the over-allotment rights, the Company over-allotted 5,321,200 overseas listed foreign capital shares (H shares) at an offering price of HK\$68.00 per share, and raised a total amount of HK\$361,841,600.00 (equivalent to RMB316,318,308.30). After deducting the underwriting expense of HK\$9,046,040.00 (equivalent to RMB7,907,957.71) and other share trading expenses of HK\$177,861.80 (equivalent to RMB155,485.00), the net proceeds actually received by the Company was HK\$352,617,698.20 (equivalent to RMB308,254,865.59). All the above funds were received on January 09, 2019, and examined by Deloitte Touche Tohmatsu (a special general partnership) (德勤華永會計師事務所(特殊普通合夥)), which issued the capital verification report of De Shi Bao (Yan) Zi (19) No.00091.

The Company deposited the above proceeds in the special account for proceeds opened with Bank of China (Hong Kong) (account No.: 012-687-2-012947-3). The initial deposit amount was HK\$352,617,698.20 (equivalent to RMB308,234,865.59). As of December 31, 2019, the unused proceeds have been transferred to other bank accounts of the Company and related subsidiaries.

4. H-share convertible bonds

On September 17, 2019, the Company issued in Hong Kong zero-coupon convertible bonds with a total principal amount of \$300 million maturing on September 17, 2024. The license for listing and trading the convertible bonds on the Hong Kong Stock Exchange took effect on September 18, 2019. The total proceeds were fully paid in US dollars, which was \$300,000,000.00, equivalent to RMB2,121,900,000.00. As of September 17, 2019, after deducting the bond issuance expense and other bond trading expense of \$5,370,857.61 (equivalent to RMB37,988,075.88), the

proceeds actually received was \$294,629,142.39 (equivalent to RMB2,083,911,924.12). After deducting other offering expense of \$629,142.39 (equivalent to RMB4,449,924.12), the net proceeds was \$294,000,000.00 (equivalent to RMB2,079,462,000.00).

The Company deposited the above proceeds in the special account for proceeds opened with Bank of China (Hong Kong) (account no.: 012-687-2-012948-6). The initial deposit amount was \$294,629,142.39 (equivalent to RMB2,083,911,924.12). As of December 31, 2019, the proceeds have not been used and have been deposited in the special account for proceeds (account no.: 012-687-2-012948-6). The balance as at the end of the year was \$295,612,671.67 (including total interest for the bank deposits of \$1,612,671.67) (equivalent to RMB2,062,253,120.10 in total).

II. Comparison table of use of proceeds from previous offering

Please refer to the schedule.

III. Comparison table of benefits achieved by the projects invested with proceeds from previous offering

(I) Benefits achieved by the projects invested with proceeds from previous offering

Proceeds from offering of A-shares

As of December 31, 2019, among the projects invested with the proceeds, the expansion project of Suzhou drug safety evaluation center and the expansion and upgrading project of Tianjin chemical research and development laboratory were still under construction and have not realized any benefits. It was estimated that when the project of headquarters and R&D centers for analytical and diagnostic services (91#, 93#) of APPTec was put into operation, an annual operating income of RMB212.18 million would be achieved. 2019 is the first year for the project to be put into operation, and it realized the estimated benefits.

(II) Explanation on why the benefits could not be separately accounted for the projects invested with the proceeds from previous offering

Part of the proceeds from the previous offering was used to supplement the working capital, which is related to all the operating activities of the Company, and the benefits could not be separately accounted.

(III) Explanation on the circumstance that the benefits realized by the projects invested with the proceeds from the previous offering were above 20% (inclusive of 20%) lower than the commitment

As of December 31, 2019, there was no such circumstance that the benefits realized by the projects invested with the proceeds from the previous offering were above 20% (inclusive of 20%) lower than the commitment.

Proceeds from offering of H shares (including Over-allotment) and H-share convertible bonds

As no disclosure regarding the estimated yields of the projects invested with the proceeds was made in the share information disclosure documents of the public offering of H shares and the statement of the proceeds from the offering of the convertible bonds, the comparison is not applicable.

IV. Comparison of the use of the proceeds from the previous offering with the information disclosed in the annual report of the Company (as of December 31, 2019)

The use of the proceeds from the previous offering is consistent with the relevant contents disclosed in other information disclosure documents of the Company.

V. The unused proceeds

As of December 31, 2019, the outstanding balance of the proceeds from offering of the A shares of the Company was RMB856,503,700 (of which RMB653 million was used to buy wealth management products for cash management and RMB203,503,700 was deposited in the supervisory bank), accounting for 38.06% of the total proceeds. The outstanding balance of the proceeds from the offering of H shares of the Company was \$170,054,500 (equivalent to RMB1,186,334,200, which was all deposited in bank), accounting for 16.28% of the total proceeds. The outstanding balance of the proceeds from the offering of H-share convertible bonds was \$295,612,700 (equivalent to RMB2,062,253,100, which was all deposited in bank), accounting for 97.19% of the total proceeds.

The above proceeds from the offering of A shares and H shares (including over-allotment) have not been fully used mainly because the projects invested with the proceeds have not been completed and the relevant project funds have not been paid. The above proceeds from the offering of H-share convertible bonds have not been fully used because the Company were required to

complete the regulatory registration with the relevant government authority prior to the use of the outstanding proceeds. As of December 31, 2019, the Company has not obtained approval from the relevant government authority regarding the registration.

The Company's cash management of idle proceeds was carried out on the premise of ensuring the normal operation of the projects invested with the proceeds and the security of the proceeds. The company and its subsidiaries used part of the idle proceeds to buy financial products, which will not affect the normal construction of the relevant projects or the normal use of the proceeds. Proper financial management can improve the use efficiency of proceeds, help to obtain certain investment returns, and seek more investment returns for the shareholders of the Company. It is in line with the interests of the Company and all shareholders, and there is no harm to the interests of the Company and all shareholders.

Schedule: Comparison table of use of proceeds from offering of A-shares

Unit: RMB10,000

Total proceeds:	225,068.88	Total proceeds used in aggregate:	145,708.61
Net proceeds:	213,028.54	Net proceeds used in aggregate:	133,668.27
		Total proceeds used in each year:	
		The period from May 2, 2018 to December 31, 2018:	126,449.95
Total proceeds with change in use:	None	2019:	19,258.66
Proportion of total proceeds with change in use:	Nil	Net proceeds used in each year:	
		The period from May 2, 2018 to December 31, 2018	114,409.61
		2019:	19,258.66

SN	Investment project	Total investment amount from proceeds				Accumulated investment amount from proceeds as of the Closing Date				Date of the project reaching the expected condition for use
		Committed investment amount before the offering	Committed investment amount after the offering	Actual investment amount	Committed investment amount before the offering	Committed investment amount after the offering	Actual investment amount	Actual investment amount	Difference between actual investment amount and committed investment amount	
1	Committed investment projects Suzhou drug safety evaluation center expansion project	72,719.98	72,719.98	22,685.17	72,719.98	72,719.98	22,685.17	50,034.81	December 31, 2020	
2	Actual investment projects Tianjin chemical research and development laboratory expansion and upgrading project	56,400.00	56,400.00	27,074.54	56,400.00	56,400.00	27,074.54	29,325.46	December 31, 2020	
3	Committed investment projects Headquarters and R&D centers for analytical and diagnostic services (91#, 93#) of APTEC	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	0.00	The project reached the expected condition for use on May 31, 2018	
4	Actual investment projects Supplement to working capital	63,908.56	63,908.56	63,908.56	63,908.56	63,908.56	63,908.56	0.00	N/A	
	Total	213,028.54	213,028.54	133,668.27	213,028.54	213,028.54	133,668.27	79,360.27		

Schedule: Comparison table of use of proceeds from offering of H-shares (including over-allotment)

	<i>Unit: RMB10,000</i>	
Total proceeds:	728,589.68	Total proceeds used in aggregate: 612,139.46
Net proceeds:	703,256.26	Net proceeds used in aggregate: 586,806.04
		Total proceeds used in each year:
		The period from December 13, 2018 to December 31, 2018:
Total proceeds with change in use:	Nil	2019: 209,176.82
Proportion of total proceeds with change in use:	Nil	402,962.64
		The period from December 13, 2018 to December 31, 2018
		2019: 183,843.40
		402,962.64

SN	Investment project	Total investment amount from proceeds		Accumulated investment amount from proceeds as of the Closing Date		Difference between actual investment amount and committed investment amount	Date of the project reaching expected condition for use	
		Committed investment amount before the offering	Committed investment amount after the offering	Committed investment amount before the offering	Committed investment amount after the offering			
1	<p>Committed investment projects</p> <p>To expand the productivity and capacity of all business units worldwide, including PRC, USA and Hong Kong</p> <p>Actual investment projects</p> <p>To expand the productivity and capacity of all business units worldwide, including PRC, USA and Hong Kong</p>	246,215.61	260,204.92	147,271.06	246,215.61	147,271.06	112,933.86	N/A
2	<p>To acquire CRO and CMO/CDMO companies</p>	175,994.00	186,362.91	186,362.91	175,994.00	186,362.91	0.00	N/A
3	<p>To invest in the ecosystem</p>	26,399.10	28,130.25	28,130.25	26,399.10	28,130.25	0.00	N/A
4	<p>To develop high-end technology</p>	17,599.40	18,284.66	14,768.30	17,599.40	14,768.30	3,516.36	N/A
5	<p>To repay bank loans</p>	131,995.50	139,948.00	139,948.00	131,995.50	139,948.00	0.00	N/A
6	<p>Working capital and general purpose</p>	66,464.13	70,325.52	70,325.52	66,464.13	70,325.52	0.00	N/A
	Total	664,667.74	703,256.26	586,806.04	664,667.74	586,806.04	116,450.22	

Schedule: Comparison table of use of proceeds from offering of H-share convertible bonds*Unit: RMB10,000*

Total proceeds:	212,190.00	Total proceeds used in aggregate:	4,243.80
Net proceeds:	207,946.20	Net proceeds used in aggregate:	0.00
		The period from September 17, 2019 to December 31, 2019:	
Total proceeds with change in use:	Nil	Total proceeds used in aggregate:	4,243.80
Proportion of total proceeds with change in use:	Nil	Net proceeds used in aggregate:	0.00

SN	Investment project	Total investment amount from proceeds		Accumulated investment amount from proceeds as of the Closing Date		Difference between actual investment amount and committed investment amount	Date of the project reaching expected condition for use	
		Committed investment amount before the offering	Committed investment amount after the offering	Actual investment amount	Committed investment amount before the offering			Committed investment amount after the offering
1	M&A and business development	154,711.97	154,711.97	0.00	154,711.97	0.00	154,711.97	N/A
2	Working capital and general purpose	53,234.23	53,234.23	0.00	53,234.23	0.00	53,234.23	N/A
	Total	207,946.20	207,946.20	0.00	207,946.20	0.00	207,946.20	

This English Translation is for reference only. In the event of any discrepancy between the English translation and the Chinese version of the document, the Chinese Version shall prevail.

According to the relevant requirements of the Opinion of General Office of the State Council on Further Enhancing Protection of Rights and Interests of Minority Investors in the Capital Market (Guo Ban Fa [2013] No.110), the Several Opinions of the State Council on Further Promoting the Healthy Development of the Capital Market issued by the State Council (Guo Fa [2014] No.17) and the Instructions on Issues Related to Dilution on Returns for the Current Period Arising from IPO, Refinancing and Major Asset Restructuring (the CSRC Announcement [2015] No.31), the Company has made analysis on the impact of dilution on returns for the current period due to the non-public issuance, and proposed remedial measures, in order to protect the right to know and safeguard the interests of the minority investors. The relevant parties have made a commitment to ensure the effective implementation of the remedial measures. The details are as follows:

I. Impact of the dilution on returns for the current period due to the non-public issuance of A Shares on the key financial indexes of the Company

(I) Key assumptions and explanations

1. It is assumed that the non-public issuance of A Shares will be completed by the end of November 2020 (the completion time is only an assumption used for calculating relevant data, and subject to actual completion time after the approval of the Chinese Securities Regulatory Commission (“CSRC”));
2. It is assumed that there are no major adverse changes in the macroeconomic environment and securities market, and no major adverse changes in the Company’s operating environment, industrial policies, major cost prices, and exchange rate;
3. It is assumed that the number of A Shares under the non-public issuance is 75,000,000 shares (the final number of shares issued is based on the number of shares approved by the CSRC). According to the “Proposal regarding Profit Distribution and Conversion of Capital Reserve into Share Capital of the Company for 2019”, when calculating the size of issuance, the impact of conversion of capital reserve into share capital on the share capital shall be considered, but the proposal for conversion of capital reserve into share capital shall be submitted to the general meeting for consideration and approval. This

assumption is only used to calculate the impact of the non-public issuance on the Company's key financial indexes, and does not represent the Company's judgment on the actual number of shares issued. The actual number of shares issued shall prevail;

4. Without considering the issuance cost, it is assumed that the total proceeds from the non-public issuance of A Shares is RMB6,527.94 million;
5. According to the "Proposal regarding Profit Distribution and Conversion of Capital Reserve into Share Capital of the Company for 2019", the cash dividend amount is RMB556,429,640.95 (tax inclusive), and the amount of capital reserve converted into share capital is 660,450,612 shares (based on the number of shares in issue on the date of this proposal). It is assumed that the completion date of the proposal is June 2020. Save for above mentioned profit distribution, it is assumed that the Company will not make interim profit distribution in 2020, and there are no other possible changes in equity;
6. According to the needs of scenario analysis, it is assumed that the net profit attributable to the owner of parent company before and after the deduction of non-recurring profit and loss in 2020 will be calculated by the following three growth rates on the basis of the corresponding audited financial data in 2019: (1) nil; (2) growth of 10%; (3) growth of 20%;
7. The impact on the business operation and financial position of the Company (such as financial expense, investment income, etc.) when the proceeds from the issuance are available is not taken into account in the calculation;
8. When calculating the Company's weighted average return on equity, the impact of factors other than profit distribution and the conversion of capital reserve into share capital, proceeds and net profit on the Company's net assets is not taken into account;
9. When estimating the total share capital of the Company, only the impact of the non-public issuance of A Shares and conversion of capital reserve into share capital is considered, based on the total share capital of 1,651,126,531 shares of the Company as of the announcement date of the proposals, and the change of share capital caused by other adjustment matters, including repurchase of Shares, is not considered. Upon the completion of the non-public issuance of A Shares, and conversion of capital reserve into share capital, the total share capital of the Company will increase from 1,651,126,531 shares to 2,416,577,143 shares;

10. The above assumptions are only used to test the impact of the dilution on returns for the current period due to the non-public issuance of A Shares on the Company's key financial indexes. They do not represent the Company's judgment on the operating conditions and trends in 2020 and do not constitute a profit forecast. Investors shall not make investment decisions based on these assumptions.

(II) The impact of the non-public issuance of A Shares on financial indexes, such as earnings per share and return on equity

Based on the above assumptions and explanations, the Company has calculated the impact of the non-public issuance of A Shares on its earnings per share, return on equity and other key financial indexes, detailed as follows:

Item	As of December 31, 2019 or in 2019	As of December 31, 2020 or in 2020	
		Before the issuance of A Shares	After the issuance of A Shares
Assumption 1: The net profit attributable to the Company's ordinary shareholders before and after the deduction of non-recurring profit and loss in 2019 and 2020 is similar to that of the previous year			
Net profit attributable to the ordinary shareholders of the Company (RMB10 thousand)	185,455.09	185,455.09	185,455.09
Net profit attributable to the ordinary shareholders of the Company after the deduction of non-recurring profit and loss (RMB10 thousand)	191,428.33	191,428.33	191,428.33
Basic earnings per share (RMB/share)	0.81	0.81	0.81
Diluted earnings per share (RMB/share)	0.80	0.80	0.80
Basic earnings per share after the deduction of non-recurring profit and loss (RMB/share)	0.84	0.84	0.83
Diluted earnings per share after the deduction of non-recurring profit and loss (RMB/share)	0.83	0.83	0.82
Weighted average return on equity	10.58%	10.30%	9.99%
Weighted average return on equity after the deduction of non-recurring profit and loss	10.92%	10.63%	10.31%

**REMEDIAL MEASURES REGARDING
DILUTION ON RETURNS FOR THE CURRENT PERIOD DUE TO
THE PROPOSED NON-PUBLIC ISSUANCE OF A SHARES**

Item	As of December 31, 2019 or in 2019	As of December 31, 2020 or in 2020	
		Before the issuance of A Shares	After the issuance of A Shares
Assumption 2: The net profit attributable to the Company's ordinary shareholders before and after the deduction of non-recurring profit and loss in 2019 and 2020 grows by 10% from that of the previous year			
Net profit attributable to the ordinary shareholders of the Company (RMB10 thousand)	185,455.09	204,000.60	204,000.60
Net profit attributable to the ordinary shareholders of the Company after the deduction of non-recurring profit and loss (RMB10 thousand)	191,428.33	210,571.16	210,571.16
Basic earnings per share (RMB/share)	0.81	0.89	0.89
Diluted earnings per share (RMB/share)	0.80	0.88	0.88
Basic earnings per share after the deduction of non-recurring profit and loss (RMB/share)	0.84	0.92	0.92
Diluted earnings per share after the deduction of non-recurring profit and loss (RMB/share)	0.83	0.91	0.91
Weighted average return on equity	10.58%	11.27%	10.93%
Weighted average return on equity after the deduction of non-recurring profit and loss	10.92%	11.63%	11.28%

**REMEDIAL MEASURES REGARDING
DILUTION ON RETURNS FOR THE CURRENT PERIOD DUE TO
THE PROPOSED NON-PUBLIC ISSUANCE OF A SHARES**

Item	As of December 31, 2019 or in 2019	As of December 31, 2020 or in 2020	
		Before the issuance of A Shares	After the issuance of A Shares
Assumption 3: The net profit attributable to the Company's ordinary shareholders before and after the deduction of non-recurring profit and loss in 2019 and 2020 grows by 20% from that of the previous year			
Net profit attributable to the ordinary shareholders of the Company (RMB10 thousand)	185,455.09	222,546.11	222,546.11
Net profit attributable to the ordinary shareholders of the Company after the deduction of non-recurring profit and loss (RMB10 thousand)	191,428.33	229,713.99	229,713.99
Basic earnings per share (RMB/share)	0.81	0.97	0.97
Diluted earnings per share (RMB/share)	0.80	0.96	0.96
Basic earnings per share after the deduction of non-recurring profit and loss (RMB/share)	0.84	1.01	1.00
Diluted earnings per share after the deduction of non-recurring profit and loss (RMB/share)	0.83	0.99	0.99
Weighted average return on equity	10.58%	12.15%	11.79%
Weighted average return on equity after the deduction of non-recurring profit and loss	10.92%	12.54%	12.17%

Note: The indexes in the table are calculated based on Compilation Rules for Information Disclosure by Companies Offering Securities to the Public No. 9 — Calculation and Disclosure of Rate of Return on Common Shareholders' Equity and Earnings per Share (Revision 2010).

II. Risk alert of the dilution on returns for the current period due to the proposed non-public issuance of A Shares

Upon completion of the non-public issuance of A Shares, the total share capital and net assets of the Company will increase. Although this fund raising activity will facilitate the Company to explore new growth points and to improve the sustainable profitability, it needs time to prepare the investment projects and return on investment will only be realized at a later stage. The return on net assets and earnings per Share of the Company and some other financial indicators will decrease in the short term. Investors are reminded there is a risk that the returns for the current period may be diluted by the non-public issuance of A Shares.

The theoretical analysis of the net profits before and after extraordinary items attributable to shareholders of the parent company for 2020 is only used to test the impact of the dilution on returns for the current period by the non-public issuance of A Shares and is not a forecast of the profits of the Company. The remedial measures regarding dilution on returns for the current period is not a guarantee of the future profits of the Company. Investor should not make investment decision on such measures. Investors are cautioned that the Company will not accept any responsibility for any loss caused by investment decision make on such remedial measures.

III. Needs and reasons for the non-public issuance of shares

For the analysis of needs and reasons for of the non-public issuance, please refer to “Section II Feasibility Analysis of the Board of Directors on the Use of Proceeds from the Issuance” in the non-public issuance of A Shares of WuXi AppTec Co., Ltd.* for 2020.

IV. The relation between the fund raising investment project and the existing businesses, as well as the talent, technology and market reserve of the Company***(I) The relation between the fund-raising investment project and the existing businesses***

The Company is an open-access platform with internationally leading capabilities and capacities, offering comprehensive and integrated laboratory research and production services from drug discovery, development and commercialization for the biopharma industry across the world. This fund-raising investment project is designed to upgrade production capacity and technology based on the existing principal business. We will improve the production capacity, research and development conditions and technology development capabilities by upgrading the research and development equipment, working environment, production workshops and supporting facilities, so as to better enable customers to develop, innovate and produce products. Through capacity

expansion, R&D service upgrade and financial strength, we will deepen the “integrated, end-to-end” new drug R&D and production service system to meet the ever-expanding and diversified global customer demand, increase customer loyalty to the Company, and strengthen the service capacity of the whole industrial chain. It is beneficial to the Company in expanding its business scope and capability, improving its operating income and increasing its market share.

(II) The talent, technology and market reserve of the Company

1. Talent reserve

As at December 31, 2019, the Company had 21,744 employees worldwide, including 7,472 employees with a master’s or higher degree and 1,022 employees with a Ph.D. or equivalent degree. In terms of professional composition, the Company has 17,872 R&D personnel, 1,723 production personnel, 109 sales personnel, and 2,040 management and administrative personnel. The Company will continue to retain outstanding talents through recruitment, training, promotion and other means, in order to maintain high quality service and leading status of the Company in the industry, and continue to meet customer’s needs. Therefore, the Company has sufficient and diversified talent reserves to ensure the effective implementation of fund-raising investment project.

2. Technical reserve

The Company is committed to enabling pharmaceutical research and development, and innovation using the latest science and technology, in order to help customers turn new drugs from an idea into a reality. The Company is in a leading position in the industry in terms of service capability and scale, which helps the Company to better predict the future technology development and emerging R&D trends in the industry and seize new development opportunities. In particular in the areas of CDMO/CMO, the Company has many leading technologies and capabilities after years of development and experience. Our research on drug substance has successfully developed small molecule drugs and new drugs. We have introduced platforms for the development of oligonucleotide and polypeptide and further strengthened our R&D capability on fluid chemicals, enzyme, crystal and small powder chemicals. In respect of drug substance, the Company has established the comprehensive R&D system from preliminary research, development of drug substance, trial production and the commercialization of new drugs. We further developed the research on production of low solubility drugs, and new technology for the production of spray drying, hot melt extrusion and nano suspension. Therefore, after years of research and development, production and operation, the Company has sufficient technical reserve for the implementation of the fund-raising investment project.

3. *Market reserve*

As of December 31, 2019, the Company provided comprehensive and integrated platform services for the discovery, development and production of small molecule chemical drugs to more than 3,900 active customers from more than 30 countries through the 29 operating bases and branches across the world. As a full industry chain platform, it provided the research and development, production and supporting services of various new drugs to the global pharmaceutical enterprises, and carried out some medical device testing and precision medical research and development and production services. Our customers include the top 20 pharmaceutical companies in the world. With the increasing number of our platforms and variety of services, the number of customers will further grow. With the strategy of “following the development of drug molecules”, the Company establishes close relationship with customers in pre-clinical R&D and continuously wins post-clinical projects and commercialization projects. By the end of 2019, the Company had about 1,000 pre-clinical, clinical and commercialization projects, including 40 Phase III clinical trials and 21 projects in commercial manufacturing. Therefore, the Company’s rich customer portfolio and strong market development capabilities have laid a solid market foundation for the fund-raising investment project.

V. Remedial Measures regarding Dilution on Returns for the Current Period due to the Non-public Issuance

In order to effectively prevent the risk of dilution on returns for the current period due to the non-public issuance, the Company plans to take the following measures to ensure the effective use of the proceeds, improve the operating results of the Company, and realize the sustainable business development and reasonable investment returns of Shareholders.

(I) To enhance the proceeds management and improve the efficiency of the use of proceeds

The Company has formulated the Measures for the Management of Proceeds to regulate the use of proceeds and improve the efficiency of the use of proceeds in accordance with the Company Law of the People’s Republic of China (the “**Company Law**”), the Securities Law of the People’s Republic of China (the “**Securities Law**”), the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (the “**Listing Rules**”) and other relevant laws and regulations, normative documents and the articles and association of WuXi Apptec Co., Ltd.* (the “**Articles of Association**”).

The Company will deposit the proceeds received from the issuance according to the Measures for the Management of Proceeds, and have the use of proceeds jointly supervised by the sponsor, the lead underwriters, the depository bank, and the Company according to the relevant provisions of the regulatory system for the use of proceeds of the Company. The sponsor and receiving bank shall regularly inspect the use of the proceeds, and the Company shall also conduct internal audit of the proceeds on a regular basis, and cooperate with the regulatory bank, the sponsor and lead underwriters to inspect and supervise the use of the proceeds. The Company will strictly manage the proceeds received according to the relevant laws and regulations and the Measures for the Management of Proceeds, so as to ensure the effective use of the proceeds in accordance with the planned purposes, accelerate the launch of the investment project, actively improve the efficiency of the use of proceeds, and strive to improve returns of Shareholders.

(II) To strengthen the principal business and improve the sustainable profitability of the Company

As a global leading capacity and technology open-access platform, the Company has provided services to more than 3,900 active customers all over the world through 29 R&D bases and branches worldwide. As a full industry chain platform, it has provided the research and development, production and supporting services of various new drugs to the global pharmaceutical enterprises, and has carried out some medical device testing and precision medical research and development and production services. This fund-raising investment project is designed to upgrade production capacity and technology based on the existing principal business. We will improve the production capacity, improve the research and development conditions, and enhance the technology development strength by upgrading the research and development equipment, working environment, production workshops and supporting facilities, so as to provide a better innovation platform for the R&D and production of the customers. Through capacity expansion, R&D service upgrade and financial strength enhancement, we will deepen the “integrated, end-to-end” new drug R&D and production service system to meet the ever-expanding and diversified global customer demand, increase customer loyalty to the Company, and strengthen the service capacity of the whole industrial chain. These efforts will expand and enhance the business scope, improve the operating income and the market share of the Company, resulting in the continuous improvement in operation performance.

(III) To constantly improve corporate governance and provide institutional guarantee for the development of the Company

The Company will strictly comply with the requirements of the Company Law, the Securities Law, the Listed Company Governance Standards and other relevant laws, regulations and normative documents, continuously improve the corporate governance structure, and ensure that Shareholders can fully exercise their rights, that the board of directors can exercise its functions and powers in accordance with the provisions of laws, regulations and articles of association, make scientific, prompt and prudent decisions, and that independent Directors can earnestly perform their duties. We will safeguard the overall interests of the Company, especially the legitimate rights and interests of minority Shareholders, and ensure that the Supervisory Committee can independently and effectively exercise the right to supervise and inspect the Directors and other senior management and the Company's financial affairs, so as to provide institutional guarantee for the development of the Company.

(IV) To further optimize the profit distribution policy and ensure the return to the Shareholders

In order to further improve the profit distribution policy and provide Shareholders with a sustained, stable and reasonable return on investment, the Company has formulated the Shareholder Return Plan for the Next 3 Years (2020 to 2022) according to the relevant provisions of the Company Law, the Securities Law, the Notice Regarding Further Implementation of Cash Dividends Distribution of Listed Companies, the Listed Company Regulation Guideline No.3 — Cash Dividend of Listed Companies and other relevant regulations after taking into full account of the actual situations of the Company. In the future, the Company will implement the profit distribution policy in a scientific and standardized manner in accordance with the provisions of the Articles of Association and the Shareholder Return Plan for the Next 3 Years, taking into account the reasonable investment returns of investors and the long-term and sustainable development of the Company, in order to maintain the continuity and stability of the profit distribution policy and create long-term value for Shareholders.

VI. Measures to ensure the proceeds are used as proposed

To regulate the use of funds and to effectively use the proceeds of the issuance, the Company has formulated the Management of the Use of Proceeds in accordance with the Company Law, the Securities Law, the Listing Rules and the Guidelines on the Regulation of Listing Companies No.2 Management and Use of Proceeds from Fund Raising (CSRC notice [2012] No.44), the relevant laws, regulations, regulatory documents and the Articles of Association. The Company has further revised the Management of the Use of Proceeds to clarify the deposit, use, change of use, management and supervision of the proceeds.

Upon receipt of the proceeds, to ensure the proceeds are properly managed and used and in accordance with the Management of the Use of Proceeds, the Company will deposit the proceeds at a specific account, ensure that the proceeds are used for designated investment projects, conduct regular internal audit of the proceeds, and cooperate with the sponsors regarding their investigation and supervision of the use of proceeds so as to prevent the funds from misuse.

VII. Commitments of the relevant parties on taking remedial measures for the dilution on returns for the current period due to the non-public issuance***(I) Commitments of the actual controller***

According to the relevant requirements of the Several Opinions of the State Council on Further Promoting the Healthy Development of the Capital Market issued by the State Council (Guo Fa [2014] No.17), the Opinion of General Office of the State Council on Further Enhancing Protection of Rights and Interests of Medium and Small Investors in Capital Market (Guo Ban Fa [2013] No.110) and Instructions on Issues Related to Dilution on Returns for the Current Period Arising from IPO, Refinancing and Major Asset Restructuring (the CSRC Announcement [2015] No.31), the actual controller of the Company hereby makes the following commitments:

- “1. During the period when I serve as the actual controller of the Company, I will not interfere in the Company’s operation and management activities beyond my authority, and I will not encroach on the Company’s interests;
2. I promise to fulfill this commitment in good faith, and I am willing to bear the legal liabilities arising from the breach of the aforementioned commitment.”

(II) Commitments of Directors and senior management

According to the relevant requirements of the Several Opinions of the State Council on Further Promoting the Healthy Development of the Capital Market issued by the State Council (Guo Fa [2014] No.17), the Opinion of General Office of the State Council on Further Enhancing Protection of Rights and Interests of Medium and Small Investors in Capital Market (Guo Ban Fa [2013] No.110) and Instructions on Issues Related to Dilution on Returns for the Current Period Arising from IPO, Refinancing and Major Asset Restructuring (the CSRC Announcement [2015] No.31), the Directors and senior management of the Company shall honestly and diligently perform their duties and safeguard the interest of the Company and shareholders as a whole. All Directors and senior management hereby make the following commitments:

- “1. I hereby undertake that I shall not provide benefits to other entities or individuals without consideration or on unfair terms nor conduct in any other way that may impair the interest of the Company;
2. I hereby undertake that I shall incur expenses in performing my duties subject to restrictions;
3. I hereby undertake that I shall not apply the assets of the Company for any investment or expenditure which is unrelated to the performance of my duties;
4. I hereby undertake that the remuneration package formulated by the Board or the Remuneration and Appraisal Committee shall be implemented in accordance with the remedial and reimbursement measures of the Company;
5. For any subsequent equity incentive plan of the Company, I hereby undertake that the vesting terms of the equity incentive plans to be announced shall be operated in line with the remedial and reimbursement measures of the Company;
6. I promise to fulfill this commitment in good faith, and I am willing to bear the legal liabilities arising from the breach of the aforementioned commitment.”

This English Translation is for reference only. In the event of any discrepancy between the English translation and the Chinese version of the document, the Chinese Version shall prevail.

In accordance with the Listed Company Regulatory Guideline No.3 — Cash Dividends of Listed Companies (CSRC Announcement [2013] No.43), the Notice on Matters Regarding Further Implementation of Cash Dividends of Listed Companies (Zheng Jian Fa [2012] No. 37) promulgated by the CSRC and the Articles of Association of WuXi AppTec Co., Ltd.* (the “**Articles of Association**”), the Company formulated the Shareholder Return Plan for the Next 3 Years (2020 to 2022) in order to improve the decision-making process and mechanism for profit distribution of the Company, increase transparency and maneuverability of dividend distribution decision, and provide positive returns to investors, while taking into account the sustainability of the Company. The Shareholder Return Plan for the Next 3 Years (2020 to 2022) was considered and approved in the 39th Meeting of the First Board of Directors and the Annual Board Meeting for 2019 held on March 24, 2020.

The main contents of the Shareholder Return Plan for the Next 3 Years (2020 to 2022) are as follows:

(I) Factors Considered in the Formulation of the Shareholder Return Plan

Profit distribution of the Company shall be based on the long-term and sustainable development of the Company. In addition to taking into consideration of each class of Shareholders, the strategic development targets of the Company and the wishes of the shareholders, factors such as the earnings and cash flow of the Company, business development plan and stage of development, capital demand, social capital cost and the external financing environment shall also be considered to establish consistent, stable and scientific return plan and mechanism for investors under the requirements of the Articles of Association. Profit distribution shall be made in a systemic manner to ensure the continuity and stability of profit distribution policy.

(II) Principles for the Formulation of the Shareholder Return Plan

The Company adopts an active, sustained and consistent profit distribution policy and attaches importance to the reasonable return for investors while taking into account the sustainable development of the Company. The Board of Directors, the Board of Supervisors and the general meeting of the Company shall fully consider the opinions of the independent directors and the public investors in the decision-making and argumentation of the profit distribution policy. Subject to the profit distribution principles and under the premise of the normal operation and long-term development of the Company, the basic principle of making distribution via cash dividends shall be adhered to.

(III) Particulars of the Shareholder Return Plan**1. *Order of profit distribution***

The Company shall withdraw 10% of the annual after-tax profits as the statutory common reserve of the Company, and such withdrawal may be stopped when the statutory common reserve of the Company has accumulated to over 50% of the registered capital of the Company. If the statutory common reserve of the Company is insufficient to recover the losses of the preceding year, the profits of the current year shall first be used to recover the said losses before any statutory common reserve is withdrawn.

After statutory common reserve is withdrawn out of the after-tax profits, discretionary common reserve may also be withdrawn out of the same as per a resolution made at a general meeting.

The after-tax profits remaining after recovery of losses and withdrawal of common reserve may be distributed to the shareholders in proportion to their shareholding percentages.

2. *Form of profit distribution*

The Company shall distribute dividends in cash or shares or in a way integrating cash and shares. If meeting conditions for cash dividends, the Company shall distribute profits in cash dividends.

3. *Interval of profit distribution*

The Company, in principle, adopts an annual profit distribution policy. The Board of the Company may propose an interim profit distribution plan according to profitability, cash flow and capital demand plan, which shall be implemented upon consideration and approval by the extraordinary general meeting.

4. *Specific conditions to distribute cash dividends*

Except in special circumstances, the Company shall first distribute dividends in cash when the Company makes a profit and the accumulated undistributed profit is positive in the current year. Special circumstances are: negative net operating cash flow in the current year; any major external investment or capital expenditure plan (excluding fund-raising project) of the Company in the coming 12 months. Major investment plan or capital expenditure refers to the circumstance in which the Company's accumulated capital expenditure for intended external investment, asset

acquisition or equipment procurement reaches or exceeds 20% of the audited net assets in the most recent fiscal year; other circumstances which the Board believes to be not suitable for distributing cash dividends.

5. *Specific conditions to distribute share dividends*

On the basis of meeting the aforesaid conditions for distributing cash dividends, the Company may present a plan for share dividend distribution when the Company operates properly, the Board believes that the Company's share price does not match its share capital size, and the distribution of share dividends is beneficial for the overall interests of all the shareholders of the Company.

6. *Minimum ratio of cash dividends and differentiated cash dividend policies*

In any three consecutive years, the profits that the Company have accumulatively distributed in cash shall not be less than 30% of the annual average distributable profits realized in these three years; and generally, the profits annually distributed in cash shall not be less than 10% of the distributable profits in the current year.

Within three years from the date of implementation of this plan, the Board of the Company will formulate differentiated cash dividend policies, in accordance with the procedure stipulated in the Articles of Association and taking into consideration of the industrial characteristics, development stages, business model, profitability, whether there are major capital expenditure arrangements and other factors: If the Company is fully developed and has no major capital expenditure arrangements, cash dividends shall take up a minimum of 80% in profit distribution; If the Company is fully developed and has major capital expenditure arrangements, cash dividends shall take up a minimum of 40% in profit distribution; If the Company is in a growth stage and has major capital expenditure arrangements, cash dividends shall take up a minimum of 20% in profit distribution;

If it is difficult to define the development stage of the Company, but the Company has major capital expenditure arrangements, the preceding provisions may still be followed.

(IV) Formulation cycle of the shareholder return plan and relevant decision-making procedures

1. The Company shall review the Shareholder Return Plan for the Next 3 Years at least once every three years to determine whether amendment is needed for the existing shareholder return plan.

2. The profit distribution plan of the Company shall be prepared by the management according to the Company's actual profitability, cash flow, future business plan and other factors, and shall be submitted to the Board of the Company for deliberation. The Board shall have an adequate discussion on the reasonability of the profit distribution plan, and independent directors shall provide definite opinions. The profit distribution plan shall be submitted to the general meeting for deliberation after deliberated by the Board.

3. When the Company formulates the specific plan for cash dividends, the Board shall carefully study and demonstrate the timing, conditions, minimum ratio and adjustment conditions of the cash dividends, the Company's decision-making procedure and other matters, and independent directors shall provide definite opinions.

Independent directors may solicit the opinions of minority shareholders, present cash dividend proposals and submit them directly to the Board for deliberation.

4. Before the profit distribution plan is considered at the general meeting, the Company will actively communicate and exchange ideas with shareholders, particularly, minority shareholders, through multiple channels and fully listen to the opinions and requests of minority shareholders. The Company will respond to the concerns of minority shareholders, and provides online voting method to shareholders before convening of the general meeting.

5. When the Company does not distribute cash dividends due to special circumstances, the Board shall make special explanations on specific reasons for not distributing cash dividends, exact use of the Company's retained profits, expected return on investment and other matters, which shall be submitted to the general meeting for deliberation and disclosed in the media designated by the Company after independent directors provide definite opinions.

6. The Company shall strictly implement the profit distribution policy determined in the Articles of Association and the specific profit distribution plan deliberated and approved at the general meeting. The Company may adjust the profit distribution policy if the production and operation of the Company are significantly affected by the changes in the Company's external operating environment or it is indeed necessary to adjust the profit distribution policy determined in the Articles of Association due to great changes in operation status of the Company. The Board shall conduct special discussion on the adjustment to the profit distribution policy made by the Company to study reasons for the adjustment in details and form a written study report. Proposals on adjustment to the profit distribution plan shall be deliberated by the Board of the Company, on which independent directors shall provide definite opinions, and shall be submitted to the general meeting for deliberation and be approved by above two-thirds of voting rights held by the shareholders attending the meeting.

(V) Supplementary Provisions

Any matters not stated in this plan shall be executed according to the relevant laws and regulations, regulatory documents and the Articles of Association. This plan shall be interpreted by the Board of Directors, become effective and be implemented from the date of approval by the general meeting.

Details of the resolution in relation the authorization to the Board to deal with matters in relation to the Proposed Non-Public Issuance of A Shares are set out as follows:

To ensure the smooth implementation of the Proposed Non-Public Issuance of A Shares by WuXi AppTec Co., Ltd. (the “**Company**”) (the “**Proposed Non-Public Issuance of A Shares**”), it is proposed that general meeting authorize the board, the Chairman and/or authorized persons of the Chairman to severally or jointly handle matters related to this Proposed Non-Public Issuance of A Shares at his/their sole discretion, including but not limited to:

- I. To formulate and implement the final scheme for the Proposed Non-Public Issuance of A Shares within the scope permitted by the laws, regulations and rules of the CSRC and the Articles of Association of the Company (“**the Articles of Association**”) according to the requirements of the regulatory authorities as well as the actual situations of the Company, including but not limited to formulating detailed offering terms, determining the timing of offering, funds to be raised, offering price, offering size, subscription targets, specific account for the proceeds, use of proceeds, the listing of the underlying shares and all the other matters related to the formulation and implementation of the offering scheme for the Proposed Non-Public Issuance of A Shares before offering;
- II. To engage the intermediary institution for the Proposed Non-Public Issuance of A Shares, sign the engagement agreement and handle other matters related thereto;
- III. To prepare, modify and submit the application materials related to the Proposed Non-Public Issuance of A Shares according to the relevant laws and regulations, the requirements, opinions and suggestions of domestic and foreign securities regulatory authorities, as well as the actual situation, and handle the relevant information disclosure matters according to the regulatory requirements;
- IV. To amend, supplement, execute and implement the agreements and documents in relation to the Proposed Non-Public Issuance of A Shares (including but not limited to the share subscription agreements, underwriting and sponsorship agreements, agreements, circulars, announcements and other disclosure documents related to the raising of funds);
- V. To make corresponding revision, adjustment and supplement to the matters related to the Proposed Non-Public Issuance of A Shares, such as the specific scheme and the use of proceeds within the scope permitted by the relevant laws and regulations according to the opinions of the regulatory authorities as well as the actual situations of the Company and the market (except for the matters that should be re-voted on by the general meeting or the board of directors according to the relevant laws and regulations, the Articles of Association and the requirements of the regulatory authorities) if there is any change to the policies of regulatory authorities on the Proposed Non-Public Issuance of A Shares or the market conditions;

- VI. To conduct analysis, research and demonstration on the dilution impact of the Proposed Non-Public Issuance of A Shares on the immediate return, formulate and implement the mitigation and remediation measures for the immediate return dilution according to the relevant laws and regulations and the requirements of the regulatory authorities, and modify, supplement and improve the relevant analysis and measures within the original framework, and handle other matters related to this issue with full authority in accordance with the new policies and regulations, implementation rules or self-regulatory standards;
- VII. To establish the specific account for the proceeds;
- VIII. To complete the procedures of capital verification for the Proposed Non-Public Issuance of A Shares;
- IX. To modify the relevant terms of the Articles of Association, complete the procedures for the change of industrial and commercial registration and handle other relevant change matters upon the completion of the Proposed Non-Public Issuance of A Shares;
- X. To handle the registration, custody, restricted sale, trading circulation and listing of A-shares issued at the relevant domestic and foreign departments, institutions and exchanges upon the completion of the Proposed Non-Public Issuance of A Shares;
- XI. To determine to postpone or terminate in advance the offering scheme at discretion in the event of force majeure or other circumstances which are sufficient to make the offering scheme difficult to implement, or which will bring adverse consequences to the Company although the offering scheme can be implemented, or in the event of any change in the policy of Non-public Issuance of A shares;
- XII. To take all necessary actions to determine/handle other matters related to the Non-public Issuance of A shares under the permission of the relevant laws and regulations, including but not limited to developing, changing, approving, rectifying and confirming the offering scheme and all other conditions for the Non-public Issuance of A shares, executing, entering into and/or delivering any document deemed necessary and desirable.

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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)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (the “AGM”) 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 Friday, May 15, 2020 at 2:00 p.m. for the following purposes of considering and, if deemed appropriate, approving the following resolutions. In this notice, unless the context otherwise requires, capitalised terms and used herein shall have the same meanings as defined in the Company’s circular (the “Circular”) dated March 31, 2020.

ORDINARY RESOLUTIONS

1. to consider and approve the report of the Board of Directors for the year 2019;
2. to consider and approve the report of the Supervisory Committee for the year 2019;
3. to consider and approve the annual report, annual report summary and annual results announcements for the year 2019;
4. to consider and approve the financial report for the year 2019;
5. to consider and approve the proposed provision of external guarantees for subsidiaries of the Company;
6. to consider and approve the proposed re-appointment of Deloitte Touche Tohmatsu (a special general partnership) (德勤華永會計師事務所(特殊普通合夥)) and Deloitte Touche Tohmatsu (德勤•關黃陳方會計師行), respectively, as PRC financial report and internal control report auditors of the Company and as offshore financial report auditors of the Company for the year 2020 and to authorize the Board to fix their remuneration;

* For identification purposes only

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7. to consider and approve the proposed foreign exchange hedging limit;
8. to consider and approve the proposed Directors' remuneration;
9. to consider and approve the proposed Supervisors' remuneration;
10. to consider and approve the proposal in relation to the compliance with conditions for the proposed non-public issuance of A Shares;
11. to consider and approve the remedial measures regarding dilution on returns for the current period due to the proposed non-public issuance of A Shares;
12. to consider and approve the Shareholders' dividend and return plan (2020-2022);
13. to consider and approve the proposal in respect of the re-elections or election of executive Directors and non-executive Directors for the second session of the Board (cumulative voting system is adopted for these resolutions):
 - 13.1 to re-elect Dr. Ge Li as an executive Director
 - 13.2 to re-elect Mr. Edward Hu as an executive Director
 - 13.3 to re-elect Mr. Zhaohui Zhang as an executive Director
 - 13.4 to re-elect Dr. Ning Zhao as an executive Director
 - 13.5 to re-elect Mr. Xiaomeng Tong as a non-executive Director
 - 13.6 to re-elect Dr. Yibing Wu as a non-executive Director
 - 13.7 to elect Dr. Steve Qing Yang as an executive Director
14. to consider and approve the proposal in respect of the re-elections of independent non-executive Directors for the second session of the Board (cumulative voting system is adopted for these resolutions):
 - 14.1 to re-elect Dr. Jiangnan Cai as an independent non-executive Director
 - 14.2 to re-elect Ms. Yan Liu as an independent non-executive Director

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- 14.3 to re-elect Mr. Dai Feng as an independent non-executive Director
- 14.4 to re-elect Dr. Hetong Lou as an independent non-executive Director
- 14.5 to re-elect Mr. Xiaotong Zhang as an independent non-executive Director
15. to consider and approve the proposal in respect of the re-election of Shareholder representative Supervisors for the second session of the Supervisory Committee (cumulative voting system is adopted for these resolutions):
- 15.1 to re-elect Mr. Harry Liang He as a Shareholder representative Supervisor
- 15.2 to re-elect Mr. Jichao Wang as a Shareholder representative Supervisor

SPECIAL RESOLUTIONS

16. to consider and approve the proposed 2019 Profit Distribution Plan;
17. to consider and approve the proposed increase of registered capital;
18. to consider and approve the proposed amendments to the Articles of Association;
19. to consider and approve the proposed amendments to the rules of procedure for Shareholders' meetings;
20. to consider and approve the proposed amendments to the rules of procedure for Board meetings;
21. to consider and if thought fit, pass with or without amendments, the following resolution regarding the proposed granting of general mandate to issue A Shares and/or H Shares:

“THAT:

- (a) Generally and unconditionally authorizing the Board of Directors to re-delegate the Chairman and its authorized persons to determine to allot, issue and deal with the A Shares and/or H Shares or similar rights separately or simultaneously, and to determine the terms and conditions for allotment, issuance and disposal of new shares or issue similar rights, including but not limited to:
- (i) Class and number of new Shares to be issued;

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- (ii) Pricing mechanism and/or issue price of the new Shares to be issued (including price range);
 - (iii) The starting and closing dates of such issue;
 - (iv) The class and number of the new shares to be issued to existing Shareholders; and/or
 - (v) To make or authorize the share offer, agreements, share options, conversion rights or other rights that may require the exercise of such rights (the “**General Mandate**”).
- (b) The number of the A Shares or H Shares (excluding the shares issued by way of the conversion of public reserve into share capital) to be allotted, issued and dealt with (whether pursuant to an option or otherwise) by the Board of Directors or the Chairman and its authorized persons separately or simultaneously in accordance with the General Mandate referred to in paragraph (a) above shall not exceed 20% of the number of the A shares and/or H shares of such class in issue of the Company at the time when this resolution is passed at the general meeting of the Company.

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- (c) Where the Board of Directors or the Chairman and its authorized persons have, during the effective period of the mandate specified in the paragraph (g) of this resolution, determined to allot, issue and deal with the A shares and/or H shares or similar rights, and the Company also has, during the effective period of the mandate, obtained the relevant approval, permission from, or registration (if applicable) with the regulatory authorities, the Board of Directors of the Company or the Chairman and its authorized persons may, during the effective period of such approval, permission or registration, complete the relevant allotment, issuance and disposal of such shares.
- (d) Authorizing the Board of Directors or the Chairman and its authorized persons to obtain an approval from all relevant government departments and/or regulatory authorities (if applicable) in accordance with the applicable laws (including but not limited to the Company Law of the People's Republic of China, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange) to exercise the General Mandate.
- (e) Authorizing the Board of Directors or the Chairman and its authorized persons to approve, execute and do or procure to be executed and done, all such documents, deeds and things as it may consider necessary in connection with the allotment, issuance and disposal of any new shares under the above-mentioned General Mandate, handle the necessary procedures and take other necessary actions.
- (f) Authorizing the Board of Directors or the Chairman and its authorized persons to increase the registered capital of the Company and make appropriate and necessary amendments to the Articles of Association of the Company in accordance with the way, type and number of the allotment and issuance of new shares of the Company and the actual shareholding structure of the Company upon completion of the allotment and issuance of new shares.
- (g) The effective period of the General Mandate shall be from the passing of this resolution to the following date, whichever is earlier:
 - (i) from the date when this resolution is passed at the AGM until the expiry of 12 months since then;
 - (ii) the date of conclusion of the 2020 annual general meeting of the Company; or
 - (iii) at the time of passing a special resolution by the Shareholders at the general meeting to revoke or vary the mandate under this resolution.”

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22. to consider and if thought fit, pass with or without amendments, the following resolution regarding the proposed granting of general mandate to repurchase A Shares and/or H shares:

“THAT:

- (a) Subject to the restrictions set forth in paragraph (b) and (c) below, the exercise by the Board of Directors during the Relevant Period of all the powers of the Company to repurchase the A shares listed on the Shanghai Stock Exchange and the H Shares listed on the Hong Kong Stock Exchange, subject to and in accordance with all applicable laws, regulations and rules and/or requirements of the governmental or regulatory body of securities in the PRC, the Hong Kong Stock Exchange and the Shanghai Stock Exchange or any other governmental or regulatory body be and is hereby approved;
- (b) The aggregate nominal amount of A shares and/or H Shares of the Company authorized to be repurchased by the Company pursuant to the approval mentioned above during the Relevant Period shall not exceed 10% of the number of A shares and/or H Shares of the Company in issue as at the date of the passing of this resolution at the AGM, the A Share Class Meeting and the H Share Class Meeting of the Company, respectively;
- (c) The first approval mentioned above shall be conditional upon satisfaction of all the following conditions:
 - (i) The passing of a special resolution with the same terms as this resolution at both the H Share Class Meeting and A Share Class Meeting of the Company;
 - (ii) The obtainment of an approval from all relevant regulatory authorities having jurisdiction over the Company (if applicable) as required by the laws, regulations and rules of the PRC; and
 - (iii) The Company not being required by any of its creditors to repay or to provide guarantees in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, at its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedures under the “Company Law of the People’s Republic of China” and the Articles of Association of the Company. If the Company determines to repay any amount to any of its creditors, the Company will do so out of its internal funds.

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- (d) Subject to the approval of all relevant government authorities in the PRC for the repurchase of such shares of the Company being granted and subject to the abovementioned conditions, the Board of Directors be and is hereby authorized to:
- (i) Formulate and implement the specific repurchase plans, including but not limited to repurchase price and number of repurchased shares, and determine the time and duration of repurchase, etc.;
 - (ii) Notify creditors and issue announcements in accordance with the requirements of the relevant laws, regulations, normative documents and the Articles of Association;
 - (iii) Open overseas share accounts and carry out the related changes of foreign exchange registration procedures;
 - (iv) Carry out the relevant approval and filing procedures as required by regulatory authorities and the stock exchanges in the place where the shares of the Company are listed;
 - (v) Carry out, execute and implement all such documents, do all such acts and things or take any steps as they consider desirable, necessary or expedient in connection with and to give effect to the repurchase of shares in accordance with the requirements of relevant laws and regulations and the listing rules of the stock exchanges in the place where the shares of the Company are listed;
 - (vi) Carry out the cancellation procedures for repurchased shares, reduce the registered capital, and make amendments which it deems appropriate to the Articles of Association of the Company to reflect the relevant provisions such as the total share capital and shareholding structure of the Company, and carry out the relevant statutory registrations and filings procedures at home and abroad; and
 - (vii) Execute and handle other documents and matters related to the repurchase of shares.
- (e) For the purpose of this resolution, the “**Relevant Period**” means the period from the passing of this resolution at the AGM and the passing of those resolutions having the same terms with this resolution at its A Share Class Meeting and H Share Class Meeting, respectively, until whichever is the earliest of:
- (i) Upon conclusion of the 2020 annual general meeting of the Company;

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- (ii) The expiration of a period of twelve months following the passing of this resolution at the AGM and the passing of those resolutions having the same terms with this resolution at its A Share Class Meeting and H Share Class Meeting, respectively;
 - (iii) The time at which the authorization conferred by this resolution is revoked or varied by a special resolution of the Shareholders at a general meeting, or by a special resolution of its H shareholders and A shareholders at the H Share Class Meeting and the A Share Class Meeting, respectively.”
- 23. to consider and approve the proposed non-public issuance of A Shares under general mandate;
 - 23.1 Class and par value of shares to be issued
 - 23.2 Method and time of issuance
 - 23.3 Target subscribers and method of subscription
 - 23.4 Issue price and pricing principles
 - 23.5 Number of A Shares to be issued
 - 23.6 Lock-up period
 - 23.7 Place of listing
 - 23.8 Arrangement for the retained undistributed profits prior to the Proposed Non-public Issuance of A Shares
 - 23.9 Validity period of the resolutions in relation to the Proposed Non-public Issuance of A Shares
 - 23.10 Amount and use of proceeds
- 24. to consider and approve the feasibility report;
- 25. to consider and approve the report on the use of proceeds from previous fund raising; and
- 26. to consider and approve the authorization to the Board, the Chairman and/or authorized persons of the Chairman in relation to the proposed non-public issuance of A Shares; and
- 27. to consider and approve the proposed issuance of H Shares under specific mandate.

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Pursuant to Article 114 of the Articles of Association, cumulative voting system should be adopted for election of more than two of Directors and Supervisors at Shareholders' general meetings. Cumulative voting system will be adopted for the Resolutions Nos. 13, 14 and 15. Cumulative voting system represents that when directors or supervisors are being elected at a general meeting, each share has as many voting rights as the number of candidates for directors or supervisors, and the shareholders' voting rights may be used in a concentrated manner. The above voting shall be made as follows:

- (i) The total number of valid votes casted by each shareholder attending the meeting in election of directors or supervisors shall be equal to the number of voting shares held by the shareholder multiplied by the number of directors or supervisors to be elected;
- (ii) Each shareholder may cast all his votes on single candidate for director or supervisor or spread his votes on different candidates for director or supervisor; and
- (iii) Votes for single candidate of director or supervisor may be more or less than the number of voting shares held by the shareholder, which do not need to be integral multiples of the number of his shares. However, the accumulative number of the votes for all candidates for directors or supervisors shall not exceed the entitled total number of the valid voting rights in election of directors or supervisors.

Details of the above resolutions proposed at the AGM are contained in the Circular, which is available on the websites of the Hong Kong 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, March 31, 2020

As of the date of this announcement, the Board of the Company comprises Dr. Ge Li, Mr. Edward Hu, Mr. Xiaozhong Liu, 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 purpose only

NOTICE OF ANNUAL GENERAL MEETING OF 2019

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 Hong Kong 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 Level 54, Hopewell Centre, 183 Queen’s Road East, 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 Thursday, May 14, 2020 (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, April 15, 2020 to Friday, May 15, 2020, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, 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 Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, April 14, 2020.
5. For determining the entitlement to the proposed final dividend and Capitalization of Reserve under the 2019 Profit Distribution Plan (subject to approval by the shareholders at the Annual General Meeting, the A Class Share Meeting and the H Class Share Meeting), the Register of Members of the Company will be closed from Thursday, May 28, 2020 to Wednesday, June 3, 2020, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend and Capitalization of Reserve, 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 the above address for registration not later than 4:30 p.m. on Wednesday, May 27, 2020.
6. References to time and dates in this notice are to Hong Kong time and dates.

NOTICE OF THE FIRST H SHARE CLASS MEETING FOR 2020



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 THE FIRST H SHARE CLASS MEETING FOR 2020

Notice is hereby given that the first H Share Class Meeting for 2020 (the “**H Share Class Meeting**”) 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 Friday, May 15, 2020 after the conclusion of the annual general meeting for 2019 and the first A share class meeting for 2020 and any adjournments thereof, for the following purposes of considering and, if deemed appropriate, approving the following resolutions. In this notice, unless the context otherwise requires, capitalised terms and used herein shall have the same meanings as defined in the Company’s circular (the “**Circular**”) dated March 31, 2020.

SPECIAL RESOLUTIONS

1. to consider and approve the proposed 2019 Profit Distribution Plan;
2. to consider and if thought fit, pass with or without amendments, the following resolution regarding the proposed granting of general mandate to repurchase A Shares and/or H shares:

“THAT:

- (a) Subject to the restrictions set forth in paragraph (b) and (c) below, the exercise by the Board of Directors during the Relevant Period of all the powers of the Company to repurchase the A shares listed on the Shanghai Stock Exchange and the H Shares listed on the Hong Kong Stock Exchange, subject to and in accordance with all applicable laws, regulations and rules and/or requirements of the governmental or regulatory body of securities in the PRC, the Hong Kong Stock Exchange and the Shanghai Stock Exchange or any other governmental or regulatory body be and is hereby approved;

NOTICE OF THE FIRST H SHARE CLASS MEETING FOR 2020

- (b) The aggregate nominal amount of A shares and/or H Shares of the Company authorized to be repurchased by the Company pursuant to the approval mentioned above during the Relevant Period shall not exceed 10% of the number of A shares and/or H Shares of the Company in issue as at the date of the passing of this resolution at the AGM, the A Share Class Meeting and the H Share Class Meeting of the Company, respectively;
- (c) The first approval mentioned above shall be conditional upon satisfaction of all the following conditions:
 - (i) The passing of a special resolution with the same terms as this resolution at both the AGM and A Share Class Meeting of the Company;
 - (ii) The obtainment of an approval from all relevant regulatory authorities having jurisdiction over the Company (if applicable) as required by the laws, regulations and rules of the PRC; and
 - (iii) The Company not being required by any of its creditors to repay or to provide guarantees in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, at its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedures under the “Company Law of the People’s Republic of China” and the Articles of Association of the Company. If the Company determines to repay any amount to any of its creditors, the Company will do so out of its internal funds.
- (d) Subject to the approval of all relevant government authorities in the PRC for the repurchase of such shares of the Company being granted and subject to the abovementioned conditions, the Board of Directors be and is hereby authorized to:
 - (i) Formulate and implement the specific repurchase plans, including but not limited to repurchase price and number of repurchased shares, and determine the time and duration of repurchase, etc.;
 - (ii) Notify creditors and issue announcements in accordance with the requirements of the relevant laws, regulations, normative documents and the Articles of Association;

NOTICE OF THE FIRST H SHARE CLASS MEETING FOR 2020

- (iii) Open overseas share accounts and carry out the related changes of foreign exchange registration procedures;
 - (iv) Carry out the relevant approval and filing procedures as required by regulatory authorities and the stock exchanges in the place where the shares of the Company are listed;
 - (v) Carry out, execute and implement all such documents, do all such acts and things or take any steps as they consider desirable, necessary or expedient in connection with and to give effect to the repurchase of shares in accordance with the requirements of relevant laws and regulations and the listing rules of the stock exchanges in the place where the shares of the Company are listed;
 - (vi) Carry out the cancellation procedures for repurchased shares, reduce the registered capital, and make amendments which it deems appropriate to the Articles of Association of the Company to reflect the relevant provisions such as the total share capital and shareholding structure of the Company, and carry out the relevant statutory registrations and filings procedures at home and abroad; and
 - (vii) Execute and handle other documents and matters related to the repurchase of shares.
- (e) For the purpose of this resolution, the “**Relevant Period**” means the period from the passing of this resolution at the AGM and the passing of those resolutions having the same terms with this resolution at its A Share Class Meeting and H Share Class Meeting, respectively, until whichever is the earliest of:
- (i) Upon conclusion of the 2020 annual general meeting of the Company;
 - (ii) The expiration of a period of twelve months following the passing of this resolution at the H Share Class Meeting and the passing of those resolutions having the same terms with this resolution at its AGM and A Share Class Meeting, respectively;

NOTICE OF THE FIRST H SHARE CLASS MEETING FOR 2020

- (iii) The time at which the authorization conferred by this resolution is revoked or varied by a special resolution of the Shareholders at a general meeting, or by a special resolution of its H shareholders and A shareholders at the H Share Class Meeting and the A Share Class Meeting, respectively; and
3. to consider and approve the proposed issuance of H Shares under specific mandate.

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

Hong Kong, March 31, 2020

As of the date of this announcement, the Board of the Company comprises Dr. Ge Li, Mr. Edward Hu, Mr. Xiaozhong Liu, 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.

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4. For determining the entitlement to attend and vote at the meeting, the Register of Members of the Company will be closed from Wednesday, April 15, 2020 to Friday, May 15, 2020, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the H Share Class Meeting, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant

NOTICE OF THE FIRST H SHARE CLASS MEETING FOR 2020

share certificates must be lodged with the Company's H Share Registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, April 14, 2020.

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