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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)**

**CHANGE OF IMPLEMENTATION LOCATION AND  
EXPECTED TIMELINE FOR UTILIZING THE NET PROCEEDS  
FROM THE H SHARE LISTING ALLOCATED TO  
THE HONG KONG PROJECT**

References are made to (i) the prospectus issued by WuXi AppTec Co., Ltd.\* (無錫藥明康德新藥開發股份有限公司) (the “**Company**”, together with its subsidiaries, the “**Group**”) dated December 3, 2018 (the “**Prospectus**”); and (ii) the interim report of the Company for the six months ended June 30, 2020 (the “**2020 Interim Report**”) dated September 14, 2020. Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as those defined in the Prospectus and the 2020 Interim Report.

**USE OF PROCEEDS FROM THE H SHARE LISTING**

As disclosed in the 2020 Interim Report, the total proceeds from the issuance of H Shares by the Company in the listing of the H Shares on the Main Board of the Stock Exchange on December 13, 2018 (the “**H Share Listing**”) amounted to approximately RMB7,285.9 million<sup>(1)</sup>. The balance of utilized net proceeds from the H Share Listing amounted to approximately RMB6,310.4 million as at September 30, 2020.

The net proceeds from the H Share Listing (adjusted on a pro rata basis based on the actual net proceeds) have been utilized in accordance with the purposes set out in the Prospectus. The table below sets out the planned applications of the net proceeds and actual usage up to September 30, 2020:

Use of proceeds from the H Share Listing	Any previous change involved	Percentage of net proceeds from the H Share Listing	Original allocation of net proceeds from the H Share Listing (HKD million)	Original allocation of net proceeds from the H Share Listing (RMB million)	Revised allocation of net proceeds from the H Share Listing (RMB million) <sup>(2)</sup>	Balance of utilized amount from the H Share Listing (as at September 30, 2020) (RMB million)	Balance of unutilized amount from the H Share Listing (as at September 30, 2020) (RMB million)	Expected timeline for utilizing the remaining balance of net proceeds from the H Share Listing
To expand the Group's capacity and capabilities across all business units globally	N/A	37%	2,798.0	2,462.2	2,602.1	1,879.9	722.2	N/A
— invest in PRC projects <sup>(3)</sup>	No	22%	1,663.1	1,463.5	1,547.2	1,349.4	197.8	Expected to be fully utilized by December 31, 2021
— invest in U.S. projects <sup>(4)</sup>	No	8%	570.1	501.7	562.6	530.5	32.1	Expected to be fully utilized by December 31, 2020
— invest in Hong Kong project <sup>(5)</sup>	No	7%	564.8	497.0	492.3	—	492.3	Expected to be fully utilized by December 31, 2021
To fund the acquisition of CRO and CMO/CDMO companies	No	27%	2,000.0	1,759.9	1,863.6	1,863.6	—	Have been fully utilized as at December 31, 2019
To invest in the Group's ecosystem	No	4%	300.0	264.0	281.3	281.3	—	Have been fully utilized as at June 30, 2019
To develop cutting-edge technology <sup>(6)</sup>	No	3%	200.0	176.0	182.8	182.8	—	Have been fully utilized as at June 30, 2020
To repay the Group's bank loans	No	20%	1,500.0	1,320.0	1,399.5	1,399.5	—	Have been fully utilized as at December 31, 2018
Working capital and general corporate uses	No	10%	755.3	664.6	703.3	703.3	—	Have been fully utilized as at June 30, 2019
<b>Total<sup>(7)</sup></b>		<b>100%</b>	<b>7,553.3</b>	<b>6,646.7</b>	<b>7,032.6</b>	<b>6,310.4</b>	<b>722.2</b>	

*Notes:*

- (1) The total proceeds included approximately RMB6,969.6 million from the Global Offering in December 2018 and RMB316.3 million from the partial exercise of over-allotment option in January 2019 as disclosed in the announcement of the Company dated January 6, 2019.
- (2) By excluding the underwriting fees and commissions and estimated expenses payable by the Company, the net proceeds planned for applications amount to approximately RMB7,032.6 million. Net IPO proceeds were received in Hong Kong dollar and translated to RMB for application planning. The plan was adjusted slightly due to the fluctuation of the foreign exchange rates since the H Share Listing.
- (3) Invest in seven PRC projects, including establishment of the Chengdu R&D campus, a manufacturing facility for viral vectors and plasmid DNA used in cell and gene therapy products in Wuxi, and a chemistry and biology labs in Qidong, Jiangsu Province, as well as development of nation-wide clinical trial sites and expansion of the Group's SMO clinical research platform. As at September 30, 2020, 87.2% of the allocated net proceeds for the seven PRC projects have been utilized.

- (4) Invest in U.S. projects, including setting up a bioanalytical laboratory in San Diego, California and a cGMP manufacturing facility for commercialized cell and gene therapy products in the U.S. As at September 30, 2020, 94.3% of the allocated net proceeds for U.S. projects have been utilized.
- (5) As at September 30, 2020, the Hong Kong project has not commenced construction.
- (6) Invest in developing cutting-edge technology, including AI-empowered drug discovery platform and lab automation, healthcare data platform and robotic chemistry capability. As at the date of this announcement, 100% of the allocated net proceeds for developing cutting-edge technology have been utilized.
- (7) The percentages of net proceeds from the H Share Listing are rounded to the nearest dollar and may not add up to 100% due to rounding.

## **CHANGE OF IMPLEMENTATION LOCATION AND EXPECTED TIMELINE FOR UTILIZING THE NET PROCEEDS FROM THE H SHARE LISTING ALLOCATED TO THE HONG KONG PROJECT**

Invest in Hong Kong project referred to in the table under the section headed “Use of Proceeds from the H Share Listing” in this announcement refers to the establishment of a Hong Kong-based R&D innovation center to provide laboratory testing services as well as cell and gene therapy research services (the “**Hong Kong Project**”). The expected total capital expenditure of the Hong Kong Project is RMB500 million, and its completion was originally planned to take place within three years from 2018, the year in which the H Share Listing took place (i.e. by December 31, 2021). As a result of factors including the Company’s overall arrangements for its contract testing development and manufacturing organization (“**CTDMO**”) services for cell and gene therapy, as well as the impact of COVID-19, the construction of the Hong Kong Project has not commenced as at the date of this announcement, and the net proceeds from the H Share Listing allocated for the Hong Kong Project has not been utilized.

In order to increase the efficiency of capital utilization, enhance investment returns, and combine the developmental needs of the CTDMO services for cell and gene therapy, the Board has resolved to relocate the place of implementation of the Hong Kong Project from Hong Kong to Shanghai, the PRC, where the Group will establish an innovation center to provide gene therapy product development services and scaling-up services in Lingang, Shanghai (the “**Shanghai Project**”). As a result of such change of implementation location, additional time is required for the construction of the Shanghai Project at the new implementation location. The Board has therefore also resolved to extend the expected timeline for utilizing the remaining balance of the net proceeds from the H Share Listing allocated to the Shanghai Project (together with the change of implementation location, the “**Changes**”). The total planned capital expenditure of the Shanghai Project is expected to be approximately RMB513 million, and the construction is expected to be completed in two years (i.e. by December 31, 2022).

Set out below is the revised planned applications and expected timeline for utilizing the remaining balance of the net proceeds from the H Share Listing after the implementation of the Changes:

Use of proceeds from the H Share Listing	Any change involved	Percentage of net proceeds from the H Share Listing	Original allocation of net proceeds from the H Share Listing (HKD million)	Original allocation of net proceeds from the H Share Listing (RMB million)	Revised allocation of net proceeds from the H Share Listing (RMB million) <sup>(1)</sup>	Balance of utilized amount from the H Share Listing (as at September 30, 2020) (RMB million)	Balance of unutilized amount from the H Share Listing (as at September 30, 2020) (RMB million)	Expected timeline for utilizing the remaining balance of net proceeds from the H Share Listing	The implementation location after the implementation of the Changes
To expand the Group's capacity and capabilities across all business units globally	N/A	37%	2,798.0	2,462.2	2,602.1	1,879.9	722.2	N/A	N/A
— invest in PRC projects <sup>(2)</sup>	No	22%	1,663.1	1,463.5	1,547.2	1,349.4	197.8	Expected to be fully utilized by December 31, 2021	N/A
— invest in U.S. projects <sup>(3)</sup>	No	8%	570.1	501.7	562.6	530.5	32.1	Expected to be fully utilized by December 31, 2020	N/A
— invest in the Shanghai Project <sup>(4)</sup>	Yes	7%	564.8	497.0	492.3	—	492.3	Expected to be fully utilized by December 31, 2022	“Lingang Intelligent Manufacturing Industrial Park Phase 6” Building G4 and F4 (Building G4 (four floors) 15,263 square meters and Building F4 (three floors) 6,159 square meters)
To fund the acquisition of CRO and CMO/CDMO companies	No	27%	2,000.0	1,759.9	1,863.6	1,863.6	—	Have been fully utilized as at December 31, 2019	N/A
To invest in the Group's ecosystem	No	4%	300.0	264.0	281.3	281.3	—	Have been fully utilized as at June 30, 2019	N/A
To develop cutting-edge technology <sup>(5)</sup>	No	3%	200.0	176.0	182.8	182.8	—	Have been fully utilized as at June 30, 2020	N/A
To repay the Group's bank loans	No	20%	1,500.0	1,320.0	1,399.5	1,399.5	—	Have been fully utilized as at December 31, 2018	N/A
Working capital and general corporate uses	No	10%	755.3	664.6	703.3	703.3	—	Have been fully utilized as at June 30, 2019	N/A
<b>Total<sup>(6)</sup></b>		<b>100%</b>	<b>7,553.3</b>	<b>6,646.7</b>	<b>7,032.6</b>	<b>6,310.4</b>	<b>722.2</b>		

Notes:

- (1) Please refer to note 2 to the table under the section headed “Use of Proceeds from the H Share Listing” in this announcement.
- (2) Please refer to note 3 to the table under the section headed “Use of Proceeds from the H Share Listing” in this announcement.
- (3) Please refer to note 4 to the table under the section headed “Use of Proceeds from the H Share Listing” in this announcement.

- (4) As at the date of this announcement, the Shanghai Project is in the preparation stage.
- (5) Please refer to note 6 to the table under the section headed “Use of Proceeds from the H Share Listing” in this announcement.
- (6) Please refer to note 7 to the table under the section headed “Use of Proceeds from the H Share Listing” in this announcement.

## **IMPACT OF THE CHANGES ON THE COMPANY**

The Changes are decisions made by the Board based on the project arrangement after due and careful consideration. The Changes involve only change of implementation location and expected timeline for utilizing the relevant part of the remaining balance of the net proceeds from the H Share Listing, and do not involve any change in the subject matter or total amount of the relevant planned application of net proceeds from the H Share Listing.

The Board considers that the Changes (i) are conducive to maximizing the benefits that can be brought about by the use of the net proceeds from the H Share Listing as well as the long-term developments of the Company; (ii) will not lead to a change in the core business of the Group; (iii) will not have any material adverse impact on the production and operations of the Group; and (iv) are in the best interests of the Company and the Shareholders as a whole.

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

Hong Kong, December 1, 2020

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

*\* For identification purposes only*