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WUXI BIOLOGICS (CAYMAN) INC.

藥明生物技術有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2269)

PROPOSED SHARE SUBDIVISION

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The Board proposes to implement the Share Subdivision on the basis that every one (1) issued Existing Share will be subdivided into three (3) Subdivided Shares. The Share Subdivision is conditional upon, among other things, the approval of the Shareholders at the EGM.

The Shares are currently traded on the Stock Exchange in board lot size of 500 Existing Shares. Upon the Share Subdivision becoming effective, the board lot size for trading in the Subdivided Shares will remain as 500 Subdivided Shares.

GENERAL

An ordinary resolution to approve the Share Subdivision and all matters relating thereto will be proposed at the EGM. A circular containing, among others, further details of the Share Subdivision and a notice convening the EGM will be despatched to the Shareholders on or before Tuesday, October 27, 2020.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholders will be required to abstain from voting on the resolution in relation to the proposed Share Subdivision at the EGM.

Shareholders and potential investors should note that the Share Subdivision is conditional upon satisfaction of the conditions as set out in the paragraph headed “Conditions of the Share Subdivision” in this announcement. Accordingly, the Share Subdivision may or may not proceed.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company. If they are in any doubt, they should consult their professional advisors.

PROPOSED SHARE SUBDIVISION

The Board proposes to implement the Share Subdivision on the basis that every one (1) issued Existing Share will be subdivided into three (3) Subdivided Shares.

Effects of the Share Subdivision

As at the date of this announcement, 1,358,264,486 Existing Shares have been issued and are fully paid. Upon the Share Subdivision becoming effective and assuming that no Existing Shares will be issued or repurchased from the date of this announcement until the effective date of the Share Subdivision, 4,074,793,458 Subdivided Shares will be in issue and fully paid or credited as fully paid.

Other than the expenses to be incurred in relation to the Share Subdivision, the implementation of the Share Subdivision will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders.

Status of the Subdivided Shares

Upon the Share Subdivision becoming effective, the Subdivided Shares shall rank pari passu in all respects with each other. The Share Subdivision will not result in any change in the relative rights of the Shareholders.

Conditions of the Share Subdivision

The Share Subdivision is conditional upon the satisfaction of the following conditions:

- (i) the passing of an ordinary resolution by the Shareholders to approve the Share Subdivision at the EGM; and
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Subdivided Shares.

Subject to the fulfilment of the conditions of the Share Subdivision, the effective date of the Share Subdivision is currently expected to be Monday, November 16, 2020, being the second Business Day immediately following the date of the EGM.

Subject to the granting of listing of, and permission to deal in, the Subdivided Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Subdivided Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Subdivided Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter.

All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made by the Company for the Subdivided Shares to be admitted into CCASS established and operated by HKSCC.

Exchange of share certificates

Subject to the Share Subdivision becoming effective, which is currently expected to be on Monday, November 16, 2020, being the second Business Day immediately following the date of the EGM, the Shareholders may during the business hours, on or after Monday, November 16, 2020 and until Tuesday, December 22, 2020 (both days inclusive) submit Existing Share Certificates in the color of green to the Company's share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, in exchange for New Share Certificates in the color of blue for the Subdivided Shares at the expense of the Company.

Thereafter, Existing Share Certificates will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may from time to time be specified by the Stock Exchange) by the Shareholders for each Existing Share Certificate submitted for cancellation or each New Share Certificate issued for the Subdivided Shares, whichever the number of share certificates cancelled/issued is higher.

Subject to the Share Subdivision becoming effective, the Existing Share Certificates will only be valid for delivery, trading and settlement purposes for the period until 4:10 p.m. on Friday, December 18, 2020, and thereafter will not be accepted for delivery, trading and settlement purposes. However, the Existing Share Certificates will remain effective as documents of title to the Subdivided Shares on the basis of one (1) issued Existing Share for three (3) Subdivided Shares and may be exchanged for New Share Certificates at any time.

Listing application

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Subdivided Shares upon the Share Division becoming effective.

Odd lots arrangement

It is expected that the Share Subdivision will not result in any odd lots other than those already exist, and therefore no odd lots arrangement for matching the sale and purchase of odd lots will be made.

NO CHANGE IN BOARD LOT SIZE

The Shares are currently traded on the Stock Exchange in board lot size of 500 Existing Shares. Upon the Share Subdivision becoming effective, the board lot size for trading in the Subdivided Shares will remain as 500 Subdivided Shares.

REASONS FOR THE SHARE SUBDIVISION

The Share Subdivision, upon becoming effective, will increase the total number of Shares in issue and reduce the trading price of each Share. The Board believes that the Share Subdivision will improve the liquidity in trading of securities and reduce trading price of each Share in the Company, thereby attracting more investors and widening the base of Shareholders. Based on the closing price of HK\$191.10 per Share as at the date of this announcement, (i) the market value per board lot of 500 Existing Shares is HK\$95,550; and (ii) the value of each board lot of 500 Subdivided Shares, with a theoretical adjusted price of HK\$63.70 per Subdivided Share assuming the Share Subdivision had already become effective, would be HK\$31,850. Accordingly, the Board considers that the Share Subdivision is fair and reasonable and in the interests of the Company and its Shareholders as a whole.

As at the date of this announcement, the Company has no intention to carry out other corporate actions in the next 12 months which may have an effect of undermining or negating the intended purpose of the Share Subdivision, and the Company currently does not have any concrete plan to conduct any fund raising activities in the next 12 months. Nevertheless, the Board cannot rule out the possibility that the Company will conduct debt and/or equity fund raising exercises when suitable fund raising opportunities arise in order to support future development of the Company and its subsidiaries (the “**Group**”). The Company will make further announcement in this regard in accordance with the Listing Rules if and when appropriate.

Save for the expenses to be incurred by the Company in implementing the Share Subdivision, the Share Subdivision will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders. The Directors believe that the Share Subdivision will not have any material adverse effect on the financial position of the Group.

ADJUSTMENTS TO SHARE OPTIONS AND RESTRICTED SHARES

As at the date of this announcement, there were 83,294,969 outstanding share options granted under the Share Option Scheme to subscribe for an aggregate of 83,294,969 Existing Shares. Upon the Share Subdivision becoming effective, pro-rata adjustments will be made to the exercise prices and the number of outstanding share options. The Company has appointed an auditor to certify in writing that such pro-rata adjustments are in accordance with the terms of the Share Option Scheme and the supplementary guidance regarding the adjustment of share options under Rule 17.03(13) of the Listing Rules.

Further, as at the date of this announcement, there were 14,311,411 outstanding restricted shares that have been granted under the Company's Restricted Share Award Scheme. Upon the Share Subdivision becoming effective and in accordance to the terms and conditions of the Restricted Share Award Scheme, the number of outstanding restricted shares that have been granted under the Restricted Shares Award Scheme will be 42,934,233 Subdivided Shares.

Save as disclosed above, the Company has no other outstanding share options, warrants or other securities in issue which are convertible into or giving rights to subscribe for, convert or exchange into, any Existing Shares or Subdivided Shares, as the case may be.

EXPECTED TIMETABLE

The expected timetable for the implementation of the Share Subdivision and the associated trading arrangement is as follows:

Expected despatch date of the circular with notice
of the EGM Tuesday, October 27, 2020

Latest date and time for lodging transfer documents
in order to qualify for attending and voting at the EGM 4:30 p.m. on Friday,
November 6, 2020

Closure of register of members for the determination of
entitlement to attend and vote at the EGM Monday, November 9, 2020 to Thursday,
November 12, 2020 (both days inclusive)

Latest date and time for lodging forms of proxy
for the EGM. 3:00 p.m. on Tuesday,
November 10, 2020

Expected date and time of the EGM. 3:00 p.m. on Thursday,
November 12, 2020

Announcement of results of the EGM Thursday, November 12, 2020

The following events are conditional on the fulfilment of the conditions for the implementation of the Share Subdivision as set out in the section headed “Conditions of the Share Subdivision” above:

Effective date of the Share Subdivision	Monday, November 16, 2020
First day of free exchange of Existing Share Certificates for the New Share Certificates for the Subdivided Shares	Monday, November 16, 2020
Commencement of dealings in the Subdivided Shares.	9:00 a.m. on Monday, November 16, 2020
Original counter for trading the Existing Shares in board lots of 500 Existing Shares temporarily closes	9:00 a.m. on Monday, November 16, 2020
Temporary counter for trading in the Subdivided Shares in board lots of 1,500 Subdivided Shares (in the form of Existing Share Certificates) opens	9:00 a.m. on Monday, November 16, 2020
Original counter for trading in the Subdivided Shares in board lots of 500 Subdivided Shares (in the form of New Share Certificates for the Subdivided Shares) re-opens	9:00 a.m. on Monday, November 30, 2020
Parallel trading in the Subdivided Shares (in the form of Existing Share Certificates and New Share Certificates) commences	9:00 a.m. on Monday, November 30, 2020
Temporary counter for trading in the Subdivided Shares in board lots of 1,500 Subdivided Shares (in the form of Existing Share Certificates) closes	4:10 p.m. on Friday, December 18, 2020
Parallel trading in the Subdivided Shares (in the form of Existing Share Certificates and New Share Certificates) ends	4:10 p.m. on Friday, December 18, 2020

Last day of free exchange of Existing Share Certificates
for New Share Certificates for the Subdivided Shares 4:10 p.m. on Tuesday,
December 22, 2020

Notes:

1. All times and dates in this announcement refer to Hong Kong local times and dates.
2. Dates or deadlines specified above are indicative only and may be varied by the Company. Any consequential changes to the expected timetable will be published or notified to the Shareholders as and when appropriate in accordance with the Listing Rules.

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To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholders will be required to abstain from voting on the resolution in relation to the proposed Share Subdivision at the EGM.

Shareholders and potential investors should note that the Share Subdivision is conditional upon satisfaction of the conditions as set out in the paragraph headed “Conditions of the Share Subdivision” in this announcement. Accordingly, the Share Subdivision may or may not proceed.

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DEFINITIONS

Unless the context otherwise requires, the following terms shall have the following meanings in this announcement:

“Board”	the board of Directors
“Business Day”	a day (other than public holiday, a Saturday or Sunday) on which banks in Hong Kong are generally open for business and the Stock Exchange is open for business of dealing in securities
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	WuXi Biologics (Cayman) Inc. (藥明生物技術有限公司*), an exempted company incorporated in the Cayman Islands with limited liability on February 27, 2014
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of considering, and if thought fit, approving the Share Subdivision
“Existing Share(s)”	ordinary share(s) of par value US\$0.000025 each of the Company before the Share Subdivision becomes effective
“Existing Share Certificate(s)”	share certificate(s) for the Existing Shares in the colour of green
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“New Share Certificate(s)”	share certificate(s) for the Subdivided Shares which will be in the colour of blue

“PRC”	the People’s Republic of China, which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Restricted Share Award Scheme”	the restricted share award scheme adopted by the Company on January 15, 2018
“Share(s)”	the Existing Share(s) and/or the Subdivided Share(s), as the case may be
“Shareholder(s)”	holder(s) of the Existing Shares or the Subdivided Shares, as the case may be
“Share Option Scheme”	the pre-IPO share option scheme adopted by the Company with effect from January 5, 2016, and amended on August 10, 2016
“Share Subdivision”	the proposed share subdivision on the basis that every one (1) issued Existing Share be subdivided into three (3) Subdivided Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subdivided Share(s)”	ordinary share(s) of par value US\$1/120,000 each of the Company immediately after the Share Subdivision becoming effective

By order of the Board
WuXi Biologics (Cayman) Inc.
Dr. Ge Li
Chairman

Hong Kong, September 18, 2020

As at the date of this announcement, the Board comprises Dr. Zhisheng Chen and Dr. Weichang Zhou as executive Directors; Dr. Ge Li, Mr. Edward Hu, Mr. Yibing Wu and Mr. Yanling Cao as non-executive Directors; and Mr. William Robert Keller, Mr. Teh-Ming Walter Kwauk and Mr. Kenneth Walton Hitchner III as independent non-executive Directors.

* *For identification purpose only*