
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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 advisor.

If you have sold or transferred all your shares in WuXi Biologics (Cayman) Inc., 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 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 ADOPTION OF
THE SUBSIDIARY SHARE OPTION SCHEMES —
THE WUXI VACCINES SHARE OPTION SCHEME
AND THE WUXI XDC SHARE OPTION SCHEME
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

The notice convening the Extraordinary General Meeting of WuXi Biologics (Cayman) Inc. to be held at the meeting room of Sheraton Shanghai Waigaoqiao Hotel, 28 Jilong Road, Pilot Free Trade Zone, Shanghai, China on Tuesday, November 23, 2021 at 12:45 p.m. is set out in this circular.

Whether or not you are able to attend the Extraordinary General Meeting, you are advised to read the notice and to complete and sign the enclosed form of proxy for use at the Extraordinary General Meeting in accordance with the instructions stated thereon and return it to the Company's Hong Kong branch 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 48 hours before the time appointed for the holding of the Extraordinary General Meeting (i.e. not later than 12:45 p.m. on Sunday, November 21, 2021, Hong Kong time) or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the Extraordinary General Meeting if they so wish. In such event, the form of proxy shall be deemed to be revoked.

This circular together with the form of proxy are also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.wuxibiologics.com).

* For identification purpose only

November 4, 2021

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DEFINITIONS

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

“Adoption Date”	the date on which the Subsidiary Share Option Schemes are adopted by the ordinary resolution to be passed by the Shareholders at the Extraordinary General Meeting
“Articles of Association”	the articles of association of the Company currently in force
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	any day on which the Stock Exchange is open for the business of dealing in securities
“China” or “PRC”	the People’s Republic of China excluding, for the purpose of this circular, Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“close associate”	has the meaning ascribed to it in the Listing Rules
“Company”	WuXi Biologics (Cayman) Inc., a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	the director(s) of the Company
“Extraordinary General Meeting” or “EGM”	the extraordinary general meeting of the Company to be held at the meeting room of Sheraton Shanghai Waigaoqiao Hotel, 28 Jilong Road, Pilot Free Trade Zone, Shanghai, China on Tuesday, November 23, 2021 at 12:45 p.m. for the purpose of considering and approving the adoption of the Subsidiary Share Option Schemes
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“IFRS”	International Financial Reporting Standards
“inside information”	has the meaning defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time
“Latest Practicable Date”	October 29, 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time
“Share(s)”	ordinary share(s) of US\$1/120,000 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary Share Option Schemes”	the WuXi Vaccines Share Option Scheme and the WuXi XDC Share Option Scheme, and each a “Subsidiary Share Option Scheme”
“Subsidiaries”	collectively, WuXi Vaccines and WuXi XDC, and each a “Subsidiary”
“Subsidiary Groups”	collectively, the WuXi Vaccines Group and the WuXi XDC Group, and each a “Subsidiary Group”
“US\$”	United States dollars, the lawful currency of the United States of America
“WuXi Vaccines”	WuXi Vaccines (Cayman) Inc., a company incorporated under the laws of the Cayman Islands with limited liability, a non-wholly owned subsidiary of the Company
“WuXi Vaccines Board”	the board of directors of WuXi Vaccines from time to time or a duly authorized committee of the board of directors of WuXi Vaccines or such other committee as the board of directors of WuXi Vaccines may authorize for the purpose of administering the WuXi Vaccines Share Option Scheme

DEFINITIONS

“WuXi Vaccines Group”	WuXi Vaccines and its subsidiaries
“WuXi Vaccines Share(s)”	ordinary share(s) of US\$0.00005 each in the share capital of WuXi Vaccines
“WuXi Vaccines Share Option Scheme”	a share option scheme of WuXi Vaccines proposed to be adopted by the Shareholders at the EGM, also referred to as a Subsidiary Share Option Scheme, the principal terms of which are set out in Appendix I to this circular
“WuXi XDC”	WuXi XDC Cayman Inc., a company incorporated under the laws of the Cayman Islands with limited liability, a non-wholly owned subsidiary of the Company
“WuXi XDC Board”	the board of directors of WuXi XDC from time to time or a duly authorized committee of the board of directors of WuXi XDC or such other committee as the board of directors of WuXi XDC may authorize for the purpose of administering the WuXi XDC Share Option Scheme
“WuXi XDC Group”	WuXi XDC and its subsidiaries
“WuXi XDC Shares”	ordinary share(s) of US\$0.00005 each in the share capital of WuXi XDC
“WuXi XDC Share Option Scheme”	a share option scheme of WuXi XDC proposed to be adopted by the Shareholders at the EGM, also referred to as a Subsidiary Share Option Scheme, the principal terms of which are set out in Appendix II to this circular
“%”	per cent.

LETTER FROM THE BOARD



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)

Executive Directors:

Dr. Zhisheng Chen (*Chief Executive Officer*)

Dr. Weichang Zhou (*Chief Technology Officer*)

Non-executive Directors:

Dr. Ge Li (*Chairman*)

Dr. Ning Zhao

Mr. Yibing Wu

Mr. Yanling Cao

Independent Non-executive Directors:

Mr. William Robert Keller

Mr. Teh-Ming Walter Kwauk

Mr. Kenneth Walton Hitchner III

Registered Office:

P.O. Box 309

Ugland House

Grand Cayman KY1-1104

Cayman Islands

Head Office in the PRC:

No. 108, Meiliang Road

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China

*Principal Place of Business
in Hong Kong:*

Level 54, Hopewell Centre

183 Queen's Road East

Hong Kong

November 4, 2021

To the Shareholders

Dear Sir/Madam,

**PROPOSED ADOPTION OF
THE SUBSIDIARY SHARE OPTION SCHEMES —
THE WUXI VACCINES SHARE OPTION SCHEME
AND THE WUXI XDC SHARE OPTION SCHEME
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

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LETTER FROM THE BOARD

1. INTRODUCTION

At the EGM to be held at the meeting room of Sheraton Shanghai Waigaoqiao Hotel, 28 Jilong Road, Pilot Free Trade Zone, Shanghai, China on Tuesday, November 23, 2021 at 12:45 p.m., an ordinary resolution will be proposed to adopt the Subsidiary Share Option Schemes.

The purpose of this circular is to provide the Shareholders with, among other things, notice of the EGM and information in respect of the resolution to be proposed at the EGM regarding the adoption of the Subsidiary Share Option Schemes.

2. ADOPTION OF THE SUBSIDIARY SHARE OPTION SCHEMES

Each of WuXi Vaccines and WuXi XDC, being non-wholly owned subsidiaries of the Company, plans to adopt a Subsidiary Share Option Scheme. Save for the Subsidiary Share Option Schemes proposed to be adopted, each of WuXi Vaccines and WuXi XDC does not have any other share option scheme in place as at the Latest Practicable Date. The details of each of WuXi Vaccines and WuXi XDC are as follows:

WuXi Vaccines, a company incorporated under the laws of the Cayman Islands with limited liability, which is a non-wholly owned subsidiary of the Company. WuXi Vaccines is 70% held by the Company and 30% held by Shanghai Hile Bio-pharmaceutical Co., Ltd. (上海海利生物技术股份有限公司), a company incorporated in the PRC with limited liability and listed on the Shanghai Stock Exchange (stock code: 603718). WuXi Vaccines Group is principally engaged in the vaccine contract development and manufacturing organization (CDMO) business.

Set out below is a summary of the financial information of WuXi Vaccines for the two financial years ended December 31, 2019 and 2020 prepared in accordance with IFRS:

	For the year ended	
	December 31	
	2019	2020
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Revenue	—	72,167.27
Net profit/(loss) before tax	(1,350.83)	25,602.26
Net profit/(loss) after tax	(1,350.83)	12,276.06

As at June 30, 2021, the unaudited net asset value of WuXi Vaccines was RMB717,881,778.40.

LETTER FROM THE BOARD

WuXi XDC, a company incorporated under the laws of the Cayman Islands with limited liability, which is a non-wholly owned subsidiary of the Company. WuXi XDC is 60% held by the Company and 40% held by Shanghai SynTheAll Pharmaceutical Co., Ltd., a subsidiary of WuXi AppTec Co., Ltd., the shares of which are dual-listed on the Shanghai Stock Exchange (stock code: 603259) and The Stock Exchange of Hong Kong Limited (stock code: 2359). WuXi XDC Group is principally engaged in the contract development and manufacturing of antibody-drug conjugate (ADC) and other bioconjugates.

Set out below is a summary of the financial information of WuXi XDC for the two financial years ended December 31, 2019 and 2020 prepared in accordance with the IFRS:

	For the year ended	
	December 31	
	2019	2020
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Revenue	7,589.84	45,862.84
Net profit/(loss) before tax	(9,742.75)	17,492.08
Net profit/(loss) after tax	(9,643.52)	14,689.42

As at June 30, 2021, the unaudited net asset value of WuXi XDC was RMB366,968,339.48.

The purposes of the Subsidiary Share Option Schemes, namely, the WuXi Vaccines Share Option Scheme and the WuXi XDC Share Option Scheme, are to enable the Subsidiaries to grant options of the respective Subsidiaries to the respective eligible participants as incentives or rewards for their contribution to the respective Subsidiary Groups so as to enable the respective Subsidiary Groups to recruit and retain high-calibre employees and attract human resources that are valuable to the respective Subsidiary Groups. A summary of the principal terms of the WuXi Vaccines Share Option Scheme and the WuXi XDC Share Option Scheme are set out in Appendix I and Appendix II to this circular, respectively.

Eligible participants for the WuXi Vaccines Share Option Scheme include any full-time or part-time employees, executives, officers or directors of the WuXi Vaccines Group, who have contribution to the business development and growth of the WuXi Vaccines Group. Eligible participants for the WuXi XDC Share Option Scheme include any full-time or part-time employees, executives, officers or directors of the WuXi XDC Group, who have contribution to the business development and growth of the WuXi XDC Group. The board of the respective

LETTER FROM THE BOARD

Subsidiaries will take into account several factors, including but not limited to, business performance of the respective Subsidiaries and individual performance before granting share options to the eligible participants.

Although the rules of the Subsidiary Share Option Schemes do not specify that the share options must be subject to any performance target and do not prescribe any specific minimum period for which a share option must be held before it can be exercised, the WuXi Vaccines Board and WuXi XDC Board believe that the ability for them to prescribe at their discretion any performance target and a minimum period for which a share option must be held before it can be exercised and the requirement for a minimum exercise price of the respective Subsidiary Share Option Schemes will serve to protect the value of the shares of the Subsidiaries and encourage the respective eligible participants to acquire proprietary interests in the Subsidiaries which will increase in value in line with the contribution by the respective eligible participants to the respective Subsidiary Groups, so as to achieve the purpose of the Subsidiary Share Option Schemes.

The Board considers that it is not appropriate to state the value of all share options that can be granted under the Subsidiary Share Option Schemes as if they had been granted on the Latest Practicable Date as a number of variables which are crucial for the calculation of the value of such share options have not been determined. Such variables include the exercise price, exercise period, and other relevant factors (if any). The Board believes that any calculation of the value of any share options which might have been granted as at the Latest Practicable Date would be based on a number of speculative assumptions and therefore not only would such calculation be meaningful or representative, but it could also potentially be misleading to the Shareholders.

No trustee will be appointed under the Subsidiary Share Option Schemes, as such, none of the Directors nor the directors of WuXi Vaccines nor the directors of WuXi XDC is and will be a trustee of the Subsidiary Share Option Schemes or has a direct or indirect interest in such a trustee. With respect to the operation of each of the Subsidiary Share Option Schemes, the Company will, where applicable, comply with the relevant requirements under Chapter 17 of the Listing Rules.

The Company will, where applicable, comply with the relevant requirements of Chapter 14 of the Listing Rules in connection with the deemed disposal as a result of the exercise of share options under the respective Subsidiary Share Option Schemes, which may reduce the shareholding of the Company in each of WuXi Vaccines and WuXi XDC. If the Company grants any share options to connected persons of the Company under the Subsidiary Share Option Schemes, the Company will comply with the relevant requirements under Chapter 14A of the Listing Rules. As at the Latest Practicable Date, as the highest applicable percentage ratio applied in accordance with Rule 14.07 of Listing Rules in respect of the issuance of the maximum equity capital allowed

LETTER FROM THE BOARD

to be granted pursuant to the respective Subsidiary Share Option Schemes is less than 5%, this does not constitute a discloseable transaction under Chapter 14 of the Listing Rules. The Company will continuously assess the impact of any grant under the respective Subsidiary Share Option Schemes and will comply with the requirements under Chapter 14 and Chapter 14A of the Listing Rules, where appropriate.

Documents Available for Display and Inspection

A copy of each of the WuXi Vaccines Share Option Scheme and the WuXi XDC Share Option Scheme will be published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.wuxibiologics.com) for display from the date of this circular up to and including the date of the EGM (i.e. from November 4, 2021 to November 23, 2021), and the same will be available for inspection at the EGM.

Conditions Precedent of the Subsidiary Share Option Schemes

The adoption of each of the Subsidiary Share Option Schemes is conditional upon:

- (a) the approval by the shareholders of the respective Subsidiaries to approve the adoption of each of the Subsidiary Share Option Schemes; and
- (b) the passing of an ordinary resolution by the Shareholders to approve the adoption of each of the Subsidiary Share Option Schemes at a general meeting pursuant to the requirements in Chapter 17 of the Listing Rules.

Except for the necessary resolution to be passed by the Shareholders at the EGM, all other condition precedent (i.e. the approval by the shareholders of the respective Subsidiaries) was fulfilled as at the Latest Practicable Date.

Assuming that there is no change in the issued share capital of the respective Subsidiaries between the period from the Latest Practicable Date and the Adoption Date, the number of shares of the respective Subsidiaries that may fall to be issued and allotted upon exercise in full of the respective share options that may be granted after the resolution authorizing the directors of the respective Subsidiaries to issue and allot up to 10% of the issued share capital of the respective Subsidiaries have passed at the EGM would be 100,000,000 WuXi Vaccines Shares and 100,000,000 WuXi XDC Shares, respectively, should each of the Subsidiary Share Option Schemes be adopted pursuant to Rule 17.03(3) of the Listing Rules. The limit on the number of securities which may be issued upon exercise of all outstanding options granted and yet to be exercised under each of the Subsidiary Share Option Schemes and any other schemes must not exceed 30% of the relevant class of securities of the respective Subsidiaries in issue from time to time.

LETTER FROM THE BOARD

3. EXTRAORDINARY GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the EGM is set out on pages 33 to 35 of this circular.

Pursuant to the Listing Rules and the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll save that the Chairman may, in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the EGM in the manner prescribed under the Listing Rules.

A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.wuxibiologics.com). Whether or not you intend to attend the EGM, you are requested to complete and return the accompanying form of proxy 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 notarially certified copy of such power or authority at the Company's Hong Kong branch 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 48 hours before the time appointed for holding the EGM (i.e. not later than 12:45 p.m. on Sunday, November 21, 2021, Hong Kong time) or any adjournment thereof. Completion and return of a form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof if you so wish. In such event, the form of proxy shall be deemed to be revoked.

4. RECOMMENDATION

The Directors consider that the proposed adoption of the WuXi Vaccines Share Option Scheme and the WuXi XDC Share Option Scheme is in the best interests of the Company and its Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favor of the resolutions in connection with the proposed adoption of the WuXi Vaccines Share Option Scheme and the WuXi XDC Share Option Scheme to be proposed at the EGM.

5. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief that the information contained in this

LETTER FROM THE BOARD

circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

6. GENERAL INFORMATION

No Shareholder is required under the Listing Rules to abstain from voting on the ordinary resolution to approve the adoption of the WuXi Vaccines Share Option Scheme and the WuXi XDC Share Option Scheme. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolution to be proposed at the EGM. No Shareholder has a material interest in the proposed adoption of the Subsidiary Share Option Schemes. The Board confirm that to the best of their knowledge, information and belief having made all reasonable enquiries, as at the Latest Practicable Date, there was no voting trust or other agreement or arrangement or understanding (other than an outright sale) entered into by or binding upon any Shareholder and there was no obligation or entitlement of any Shareholder whereby he or she has or may have temporarily or permanently passed control over the exercise of the voting right in respect of his/her Shares to a third party, either generally or on a case-by-case basis.

Your attention is drawn to the information set out in the appendices to this circular.

Yours faithfully,
For and on behalf of the Board
WuXi Biologics (Cayman) Inc.
Dr. Ge Li
Chairman

The following is a summary of the principal terms of the WuXi Vaccines Share Option Scheme proposed to be adopted at the EGM but does not form part of, nor was it intended to be part of, the WuXi Vaccines Share Option Scheme, nor should it be taken as affecting the interpretation of the rules of the WuXi Vaccines Share Option Scheme:

1. PURPOSE

The purpose of the WuXi Vaccines Share Option Scheme is to enable WuXi Vaccines to grant share options to eligible participants as incentives or rewards for their contribution to the WuXi Vaccines Group so as to enable the WuXi Vaccines Group to recruit and retain high-calibre employees and attract human resources that are valuable to the WuXi Vaccines Group.

2. ADMINISTRATION OF THE WUXI VACCINES SHARE OPTION SCHEME

The WuXi Vaccines Share Option Scheme is to be administered by the WuXi Vaccines Board whose decision in relation to the WuXi Vaccines Share Option Scheme or its interpretation or effect (save as otherwise provided therein) shall be final and binding on all parties. Subject to due compliance with the applicable laws and regulations, the WuXi Vaccines Board shall have the right to (i) interpret and construe the provisions of the WuXi Vaccines Share Option Scheme; (ii) determine the persons who will be awarded share options under the WuXi Vaccines Share Option Scheme, and the number and exercise price of share options awarded thereto; (iii) make such appropriate and equitable adjustments to the terms of share options granted under the WuXi Vaccines Share Option Scheme as it deems necessary; and (iv) make such other decisions or determinations as it shall deem appropriate in the administration of the WuXi Vaccines Share Option Scheme.

3. ELIGIBLE PARTICIPANTS

Eligible participants for the WuXi Vaccines Share Option Scheme include any full-time or part-time employees, executives, officers or directors of the WuXi Vaccines Group.

4. DURATION OF THE WUXI VACCINES SHARE OPTION SCHEME

- (a) The WuXi Vaccines Share Option Scheme shall become valid and effective for a period of ten years commencing from the date on which its adoption is approved by the shareholders of WuXi Vaccines and approved by the ordinary resolution of the Shareholders at the EGM (the “**WuXi Vaccines Scheme Period**”).

- (b) The life of the WuXi Vaccines Share Option Scheme is ten years. The WuXi Vaccines Board is entitled to, but shall not be bound, at any time within ten years after the adoption date of the WuXi Vaccines Share Option Scheme (the “**WuXi Vaccines Adoption Date**”) offer to grant a share option to any eligible participant, as the WuXi Vaccines Board may in its absolute discretion select, to take up a share option pursuant to which such eligible participant may, during the option period, subscribe for such number of WuXi Vaccines Shares as the WuXi Vaccines Board may determine at the exercise price for the share options. The offer of the grant of a share option shall specify the terms on which the share option is to be granted, including the number of WuXi Vaccines Shares that may be subscribed for, the exercise price, and may include at the discretion of the WuXi Vaccines Board such other terms and conditions. Save as determined by the WuXi Vaccines Board and provided in the offer to a grantee, the WuXi Vaccines Share Option Scheme does not specify that the share options must be subject to any performance target and does not prescribe any specific minimum period for which a share option must be held before it can be exercised.

5. MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PARTICIPANT

Each grant of share options to any director, chief executive or substantial shareholder of the Company (or any of their respective associates) shall be subject to the prior approval of the independent non-executive directors of the Company (excluding any independent non-executive director of the Company who is a proposed recipient of the grant of share options). Where any grant of share options to a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates, would result in the WuXi Vaccines Shares issued and to be issued upon exercise of all share options already granted and to be granted (including share options exercised, cancelled and outstanding) to such person under the WuXi Vaccines Share Option Scheme and the other schemes in the 12-month period up to and including the date of grant: (a) representing in aggregate over 0.1% (or such other percentage as may from time to time be provided under the Listing Rules) of the WuXi Vaccines Shares in issue on the date of grant; and (b) if and when the WuXi Vaccines Shares are listed on the Stock Exchange, having an aggregate value, based on the official closing price of the WuXi Vaccines Shares as stated in the daily quotation sheets of the Stock Exchange on the date of grant, in excess of HK\$5 million or such other sum as may be from time to time provided under the Listing Rules, such further grant shall be subject to prior approval by the Shareholders at a duly convened general meeting at which the grantee, his associates and all core connected persons of the Company who has an interest shall abstain from voting in favor of the resolution concerning the grant of such share option, and/or such other requirements prescribed under the Listing Rules from time to time.

6. MAXIMUM NUMBER OF WUXI VACCINES SHARES

- (a) The overall limit on the number of WuXi Vaccines Shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the WuXi Vaccines Share Option Scheme and other share option schemes of WuXi Vaccines must not exceed 30% of the WuXi Vaccines Shares in issue from time to time (the “**WuXi Vaccines Scheme Limit**”).
- (b) The maximum number of WuXi Vaccines Shares which may be issued upon exercise of all share options to be granted under the WuXi Vaccines Share Option Scheme and other share option schemes of WuXi Vaccines shall not in aggregate exceed 10% of the total number of WuXi Vaccines Shares in issue as at the date of the WuXi Vaccines Adoption Date (the “**WuXi Vaccines Scheme Mandate Limit**”). Share options lapsed in accordance with the terms of the WuXi Vaccines Share Option Scheme will not be counted for the purpose of calculating the WuXi Vaccines Scheme Mandate Limit.
- (c) WuXi Vaccines may seek approval of the Shareholders in general meeting for refreshing the WuXi Vaccines Scheme Mandate Limit under the WuXi Vaccines Share Option Scheme. However, the total number of WuXi Vaccines Shares which may be issued upon exercise of all share options to be granted under all of the share option schemes of WuXi Vaccines under the WuXi Vaccines Scheme Mandate Limit as refreshed shall not exceed 10% of the total number of WuXi Vaccines Shares in issue as at the date of the aforesaid approval of the WuXi Vaccines Scheme Mandate Limit. Share options previously granted under the WuXi Vaccines Share Option Scheme and other share option schemes of WuXi Vaccines (including those outstanding, cancelled, lapsed in accordance with its terms or exercised options), will not be counted for the purpose of calculating the limit as refreshed. A circular must be sent to the Shareholders in connection with the meeting at which their approval will be sought.
- (d) WuXi Vaccines may also seek separate approval of the Shareholders in general meeting for granting share options beyond the WuXi Vaccines Scheme Mandate Limit provided that the share options exceeding the WuXi Vaccines Scheme Mandate Limit are granted only to eligible participants specifically identified by the WuXi Vaccines Board before such approval is sought. A circular shall be sent to the Shareholders containing a generic description of the specified eligible participants who may be granted such share options, the number and terms of the share options to be granted and the purpose of granting share options to the specified eligible participants with an explanation as to how the terms of the share options serve such purpose.

- (e) The total number of WuXi Vaccines Shares issued and to be issued upon exercise of the share options granted to each eligible participant (including both exercised, cancelled and outstanding share options) in any 12-month period shall not exceed 1% of the WuXi Vaccines Shares in issue (the “**WuXi Vaccines Individual Limit**”). Any further grant of share options to an eligible participant which would result in the WuXi Vaccines Shares issued and to be issued upon exercise of all share options granted and to be granted to such eligible participant (including exercised, cancelled and outstanding share options) in the 12-month period up to and including the date of grant of such further grant of share options exceeding the WuXi Vaccines Individual Limit shall be subject to approval of the Shareholders in advance with such eligible participant and his close associates (or his associates if such eligible participant is a connected person) abstaining from voting. A circular must be sent to the Shareholders disclosing the identity of such eligible participant and the number and terms of the share options granted and to be granted. The number and terms of share options to be granted to such eligible participants shall be fixed before Shareholders’ approval is sought and the date of the Board meeting for proposing such further grant shall for all purposes be the date of grant for the purpose of calculating the exercise price of share options.

7. OFFER AND GRANT OF SHARE OPTIONS

An offer of the grant of a share option shall be deemed to have been granted and accepted by the grantee and to have taken effect when the duplicate of the offer document constituting acceptance of the offer duly signed by the grantee with the number of WuXi Vaccines Shares in respect of which the offer is accepted clearly stated therein, together with a payment in favor of WuXi Vaccines of HK\$1.00 by way of consideration for the grant thereof is received by WuXi Vaccines on or before the relevant acceptance date, being a date not later than 30 days after the offer date. Such payment shall in no circumstances be refundable and shall be deemed as part payment of the exercise price.

8. EXERCISE PRICE

The exercise price of share options payable by any grantee shall, subject to the adjustment referred to in paragraph 13 below, be in such amount as determined by the WuXi Vaccines Board at its absolute discretion to be fair and reasonable on a case by case basis, after taking into account, among other things, the business performance of WuXi Vaccines, individual performance of the relevant grantee as well as the net asset value of WuXi Vaccines as shown in its latest available management accounts, provided that in the event that WuXi Vaccines resolves to seek a separate listing of its shares on the Stock Exchange, the exercise price of any share option granted after such resolution up to the listing date of WuXi Vaccines shall not be lower than the new issue

price (if any); and in particular, any share options granted during the period commencing six months before the lodgment of the listing application and up to the listing date of WuXi Vaccines shall not be lower than the new issue price.

9. RANKING OF WUXI VACCINES SHARES

The WuXi Vaccines Shares to be allotted upon the exercise of a share option shall be subject to all the provisions of the memorandum and articles of association of WuXi Vaccines and shall rank *pari passu* in all respects with and shall have the same voting, dividend, transfer and other rights, including those arising on liquidation of WuXi Vaccines as attached to the fully-paid WuXi Vaccines Shares in issue on the date of issue and rights in respect of any dividend or other distributions paid or made on or after the date of issue.

10. SUFFICIENT SHARE CAPITAL

Subject to the terms of the WuXi Vaccines Share Option Scheme, the WuXi Vaccines Board shall at all times set aside for the purpose of the WuXi Vaccines Share Option Scheme, out of the authorized but unissued share capital of WuXi Vaccines, such number of WuXi Vaccines Shares as the WuXi Vaccines Board may from time to time determine to be sufficient to meet subsisting requirements for the exercise of outstanding share options. No dividends shall be payable in relation to WuXi Vaccines Shares that are the subject of share options that have not been exercised. The WuXi Vaccines Shares to be allotted upon the exercise of a share option shall not carry voting rights until completion of the registration of the grantee (or such other person nominated by the grantee) as the holder thereof.

11. NO GRANT OF SHARE OPTIONS AFTER EXPIRY

Subject to the provisions of the rules of the WuXi Vaccines Share Option Scheme, the WuXi Vaccines Share Option Scheme shall be valid and effective for the period set out in paragraph 4. After the expiry of the WuXi Vaccines Scheme Period, no further share options shall be offered but the provisions of the WuXi Vaccines Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any share option granted prior to the termination or otherwise as may be required in accordance with the provisions of the WuXi Vaccines Share Option Scheme and share options granted prior to such termination shall continue to be valid and exercisable in accordance with the WuXi Vaccines Share Option Scheme.

12. LAPSE OF SHARE OPTIONS

Save as determined otherwise by the WuXi Vaccines Board at its sole discretion, a share option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

- (a) the expiry date relevant to that share option;
- (b) the expiry of any of the periods referred to in paragraph 17(a), (b), (c), (d) or (e);
- (c) the date on which the scheme of arrangement of WuXi Vaccines referred to in paragraph 17(d) becomes effective;
- (d) the date of the commencement of the winding-up of WuXi Vaccines;
- (e) the date on which the grantee ceases to be an eligible participant by reason of the termination of his relationship with WuXi Vaccines or any of its subsidiaries on any one or more of the grounds that he has been guilty of serious misconduct or has been convicted of any criminal offence involving his integrity or honesty or in relation to an employee of WuXi Vaccines or any of its subsidiaries (if so determined by the WuXi Vaccines Board) on any other ground on which an employer would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the grantee's service contract with WuXi Vaccines or its relevant subsidiary. A resolution of the WuXi Vaccines Board, or the relevant subsidiary of WuXi Vaccines, to the effect that the relationship of a grantee has or has not been terminated on one or more of the grounds specified in this paragraph shall be conclusive; and
- (f) the date on which the WuXi Vaccines Board shall exercise its right to cancel the share option at any time after the grantee commits a breach of paragraph 16 or the share options are cancelled in accordance with paragraph 14.

13. EFFECT OF ALTERATIONS TO SHARE CAPITAL

In the event of any capitalization issue, rights issue, sub-division or consolidation of shares or reduction of capital of WuXi Vaccines, such corresponding alterations (if any) shall be made (except on an issue of securities of WuXi Vaccines as consideration in a transaction which shall not be regarded as a circumstance requiring alteration or adjustment) in:

- (a) the number of WuXi Vaccines Shares subject to any outstanding share option; and/or
- (b) the exercise price of share options,

as the auditors or the approved independent financial adviser shall, at the request of WuXi Vaccines or any grantee, certify in writing either generally or as regards any particular grantee, to be in their opinion fair and reasonable, provided that any such alterations shall be made on the basis that a grantee shall have the same proportion of the equity capital of WuXi Vaccines as that to which that grantee was entitled to subscribe had he exercised all the share options held by him immediately before such adjustments and the aggregate exercise price of share options payable by a grantee on the full exercise of any share option shall remain as nearly as possible the same as (but shall not be greater than) it was before such event and that no such alterations shall be made if the effect of such alterations would be to enable a WuXi Vaccines Share to be issued at less than its nominal value.

14. CANCELLATION OF SHARE OPTIONS

Any cancellation of share options granted but not exercised must be approved by the grantees of the relevant share options in writing. For the avoidance of doubt, such approval is not required in the event any share option is cancelled pursuant to paragraph 16. Where WuXi Vaccines cancels share options, the grant of new options to the same grantee may only be made under the WuXi Vaccines Share Option Scheme within the limits thereto.

15. TERMINATION OF THE WUXI VACCINES SHARE OPTION SCHEME

The WuXi Vaccines Board may at any time resolve to terminate the operation of the WuXi Vaccines Share Option Scheme and in such event no further share options shall be offered but the provisions of the WuXi Vaccines Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any share option granted prior to the termination or otherwise as may be required in accordance with the provisions of the WuXi Vaccines Share Option Scheme and share options granted prior to such termination shall continue to be valid and exercisable in accordance with the WuXi Vaccines Share Option Scheme.

16. SHARE OPTIONS ARE PERSONAL

A share option shall be personal to the grantee and shall not be transferable or assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favor of any third party over or in relation to any share option held by him or any offer relating to the grant of a share option made to him or attempt to do so (save that the grantee may nominate a nominee in whose name the WuXi Vaccines Shares issued pursuant to the WuXi Vaccines Share Option Scheme may be registered). Any breach of the foregoing shall entitle WuXi Vaccines to cancel any outstanding share option or any part thereof granted to such grantee.

17. EXERCISE OF SHARE OPTIONS

Subject as hereinafter provided, a share option may be exercised by the grantee at any time or times during the option period, provided that:

- (a) in the event of the grantee ceasing to be an eligible participant for any reason other than on his death, ill-health, injury, disability or the termination of his relationship with WuXi Vaccines or any of its subsidiaries on one or more of the grounds specified in paragraph 12(e), the grantee may exercise any share option up to his entitlement at the date of cessation of being an eligible participant (to the extent not already exercised) within the period of one month (or such longer period as the WuXi Vaccines Board may determine) following the date of such cessation (which date shall be, in relation to a grantee who is an eligible participant by reason of his employment with WuXi Vaccines or any of its subsidiaries, the last actual working day with WuXi Vaccines or its subsidiary whether salary is paid in lieu of notice or not);
- (b) in the case of the grantee ceasing to be an eligible participant by reason of death, ill-health, injury or disability (all evidenced to the satisfaction of the WuXi Vaccines Board) and none of the events which would be a ground for termination of his relationship with WuXi Vaccines or any of its subsidiaries under paragraph 12(e) has occurred, the grantee or the personal representative(s) of the grantee shall be entitled within a period of 12 months (or such longer period as the WuXi Vaccines Board may determine) from the date of cessation of being an eligible participant or death to exercise the share option in full (to the extent not already exercised);
- (c) if a general offer (whether by way of take-over offer, share repurchase offer or scheme of arrangement or otherwise in like manner) is made to all the holders of WuXi Vaccines Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or in concert with the offeror), WuXi

Vaccines shall use its best endeavors to procure that such offer is extended to all the grantees (on the same terms mutatis mutandis, and assuming that they shall become, by the exercise in full of the share options granted to them, shareholders of WuXi Vaccines). If such offer, having been approved in accordance with applicable laws and regulatory requirements becomes, or is declared unconditional, the grantee (or his legal personal representative(s)) shall be entitled to exercise his option in full (to the extent not already exercised) at any time within 14 days after the date on which such general offer becomes or is declared unconditional;

- (d) if a compromise or arrangement between WuXi Vaccines and its members and/or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of WuXi Vaccines or its amalgamation with any other company or companies, WuXi Vaccines shall give notice thereof to all the grantees (together with a notice of the existence of the provisions of this paragraph) on the same day as it despatches to members and/or creditors of WuXi Vaccines a notice summoning the meeting to consider such a compromise or arrangement, and thereupon each grantee shall be entitled to exercise all or any of his share options in whole or in part at any time prior to 12:00 noon (Hong Kong time) on the Business Day immediately preceding the date of the meeting directed to be convened by the relevant court for the purposes of considering such compromise or arrangement and if there are more than one meeting for such purpose, the date of the first meeting. With effect from the date of such meeting, the rights of all grantees to exercise their respective share options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all share options shall, to the extent that they have not been exercised, lapsed and determined. The WuXi Vaccines Board shall endeavor to procure that the WuXi Vaccines Shares issued as a result of the exercise of share options in such circumstances shall for the purposes of such compromise or arrangement form part of the issued share capital of WuXi Vaccines on the effective date thereof and that such WuXi Vaccines Shares shall in all respects be subject to such compromise or arrangement. If for any reason such compromise or arrangement is not approved by the relevant court (whether upon the terms presented to the relevant court or upon any other terms as may be approved by such court) the rights of the grantees to exercise their respective share options shall with effect from the date of the making of the order by the relevant court be restored in full as if such compromise or arrangement had not been proposed by WuXi Vaccines and no claim shall lie against WuXi Vaccines or any of its officers for any loss or damage sustained by any grantee as a result of the aforesaid suspension; and

- (e) in the event a notice is given by WuXi Vaccines to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up WuXi Vaccines, WuXi Vaccines shall on the same date as or soon after it despatches such notice to each member of WuXi Vaccines give notice thereof to all grantees and thereupon, each grantee (or in the case of the death of the grantee, his personal representative(s)) shall be entitled to exercise all or any of his share options at any time not later than three Business Days prior to the proposed general meeting of WuXi Vaccines by giving notice in writing to WuXi Vaccines, accompanied by a payment for the full amount of the aggregate exercise price for the WuXi Vaccines Shares in respect of which the notice is given whereupon WuXi Vaccines shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot the relevant WuXi Vaccines Shares to the grantee credited as fully paid.

Subject to the other terms of the WuXi Vaccines Share Option Scheme, save as determined otherwise by the WuXi Vaccines Board at its sole discretion, a share option (to the extent that it is exercisable pursuant to the above) may be exercised by a grantee at any time during the option period in four tranches as follows: (i) twenty percent (20%) of the share options shall be vested on the date falling on the second (2nd) anniversary of the offer date; (ii) twenty percent (20%) of the share options shall be vested on the date falling on the third (3rd) anniversary of the offer date; (iii) twenty percent (20%) of the share options shall be vested on the date falling on the fourth (4th) anniversary of the offer date; and (iv) forty percent (40%) of the share options shall be vested on the date falling on the fifth (5th) anniversary of the offer date. For the avoidance of doubt, any proportion of any share option that has been vested shall be exercisable by the grantee from the relevant vesting date until the expiry of the option period.

18. ALTERATION OF THE WUXI VACCINES SHARE OPTION SCHEME

The terms and conditions of the WuXi Vaccines Share Option Scheme and the regulations for the administration and operation of the WuXi Vaccines Share Option Scheme (provided that the same are not inconsistent with the WuXi Vaccines Share Option Scheme and the Listing Rules) may be altered in any respect by resolution of the WuXi Vaccines Board except that (a) any alteration to the advantage of the grantees or the eligible participants (as the case may be) in respect of the matters contained in Rule 17.03 of the Listing Rules; (b) any material alteration to the terms and conditions of the WuXi Vaccines Share Option Scheme (including the principal terms of the WuXi Vaccines Share Option Scheme set out above) or any change to the terms of share options granted (except any alterations which take effect automatically under the terms of the WuXi Vaccines Share Option Scheme); or (c) any change to the authority of the WuXi Vaccines Board in relation to any alteration to the terms of the WuXi Vaccines Share Option

Scheme, may only be made with the prior approval of the Shareholders at a duly convened general meeting, provided that any persons to whom or for whose benefit the WuXi Vaccines Shares may be issued under the WuXi Vaccines Share Option Scheme and their respective associates shall abstain from voting at general meeting, and provided further that the amended terms of the WuXi Vaccines Share Option Scheme or the share options shall remain in compliance with Chapter 17 of the Listing Rules and no alteration shall operate to affect adversely the terms of issue of any share option granted or agreed to be granted prior to such alteration or to reduce the proportion of the equity capital to which any person was entitled pursuant to such share option prior to such alteration except with (i) the consent in writing of the grantees holding in aggregate share options which if exercised in full on the date immediately preceding that on which such consent is obtained would entitle them to the issue of three-fourths in nominal value of all WuXi Vaccines Shares which would fall to be issued upon the exercise of all share options outstanding on that date; or (ii) the sanction of a special resolution.

The following is a summary of the principal terms of the WuXi XDC Share Option Scheme proposed to be adopted at the EGM but does not form part of, nor was it intended to be part of, the WuXi XDC Share Option Scheme, nor should it be taken as affecting the interpretation of the rules of the WuXi XDC Share Option Scheme:

1. PURPOSE

The purpose of the WuXi XDC Share Option Scheme is to enable WuXi XDC to grant share options to eligible participants as incentives or rewards for their contribution to the WuXi XDC Group so as to enable the WuXi XDC Group to recruit and retain high-calibre employees and attract human resources that are valuable to the WuXi XDC Group.

2. ADMINISTRATION OF THE WUXI XDC SHARE OPTION SCHEME

The WuXi XDC Share Option Scheme is to be administered by the WuXi XDC Board whose decision in relation to the WuXi XDC Share Option Scheme or its interpretation or effect (save as otherwise provided therein) shall be final and binding on all parties. Subject to due compliance with the applicable laws and regulations, the WuXi XDC Board shall have the right to (i) interpret and construe the provisions of the WuXi XDC Share Option Scheme; (ii) determine the persons who will be awarded share options under the WuXi XDC Share Option Scheme, and the number and exercise price of share options awarded thereto; (iii) make such appropriate and equitable adjustments to the terms of share options granted under the WuXi XDC Share Option Scheme as it deems necessary; and (iv) make such other decisions or determinations as it shall deem appropriate in the administration of the WuXi XDC Share Option Scheme.

3. ELIGIBLE PARTICIPANTS

Eligible participants for the WuXi XDC Share Option Scheme include any full-time or part-time employees, executives, officers or directors of the WuXi XDC Group.

4. DURATION OF THE WUXI XDC SHARE OPTION SCHEME

- (a) The WuXi XDC Share Option Scheme shall become valid and effective for a period of ten years commencing from the date on which its adoption is approved by the shareholders of WuXi XDC and approved by the ordinary resolution of the Shareholders at the EGM (the “**WuXi XDC Scheme Period**”).

- (b) The life of the WuXi XDC Share Option Scheme is ten years. The WuXi XDC Board is entitled to, but shall not be bound, at any time within ten years after the adoption date of the WuXi XDC Share Option Scheme (the “**WuXi XDC Adoption Date**”) offer to grant a share option to any eligible participant, as the WuXi XDC Board may in its absolute discretion select, to take up a share option pursuant to which such eligible participant may, during the option period, subscribe for such number of WuXi XDC Shares as the WuXi XDC Board may determine at the exercise price for the share options. The offer of the grant of a share option shall specify the terms on which the share option is to be granted, including the number of WuXi XDC Shares that may be subscribed for, the exercise price, and may include at the discretion of the WuXi XDC Board such other terms and conditions. Save as determined by the WuXi XDC Board and provided in the offer to a grantee, the WuXi XDC Share Option Scheme does not specify that the share options must be subject to any performance target and does not prescribe any specific minimum period for which a share option must be held before it can be exercised.

5. MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PARTICIPANT

Each grant of share options to any director, chief executive or substantial shareholder of the Company (or any of their respective associates) shall be subject to the prior approval of the independent non-executive directors of the Company (excluding any independent non-executive director of the Company who is a proposed recipient of the grant of share options). Where any grant of share options to a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates, would result in the WuXi XDC Shares issued and to be issued upon exercise of all share options already granted and to be granted (including share options exercised, cancelled and outstanding) to such person under the WuXi XDC Share Option Scheme and the other schemes in the 12-month period up to and including the date of grant: (a) representing in aggregate over 0.1% (or such other percentage as may from time to time be provided under the Listing Rules) of the WuXi XDC Shares in issue on the date of grant; and (b) if and when the WuXi XDC Shares are listed on the Stock Exchange, having an aggregate value, based on the official closing price of the WuXi XDC Shares as stated in the daily quotation sheets of the Stock Exchange on the date of grant, in excess of HK\$5 million or such other sum as may be from time to time provided under the Listing Rules, such further grant shall be subject to prior approval by the Shareholders at a duly convened general meeting at which the grantee, his associates and all core connected persons of the Company who has an interest shall abstain from voting in favor of the resolution concerning the grant of such share option, and/or such other requirements prescribed under the Listing Rules from time to time.

6. MAXIMUM NUMBER OF WUXI XDC SHARES

- (a) The overall limit on the number of WuXi XDC Shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the WuXi XDC Share Option Scheme and other share option schemes of WuXi XDC must not exceed 30% of the WuXi XDC Shares in issue from time to time (the “**WuXi XDC Scheme Limit**”).
- (b) The maximum number of WuXi XDC Shares which may be issued upon exercise of all share options to be granted under the WuXi XDC Share Option Scheme and other share option schemes of WuXi XDC shall not in aggregate exceed 10% of the total number of WuXi XDC Shares in issue as at the date of the WuXi XDC Adoption Date (the “**WuXi XDC Scheme Mandate Limit**”). Share options lapsed in accordance with the terms of the WuXi XDC Share Option Scheme will not be counted for the purpose of calculating the WuXi XDC Scheme Mandate Limit.
- (c) WuXi XDC may seek approval of the Shareholders in general meeting for refreshing the WuXi XDC Scheme Mandate Limit under the WuXi XDC Share Option Scheme. However, the total number of WuXi XDC Shares which may be issued upon exercise of all share options to be granted under all of the share option schemes of WuXi XDC under the WuXi XDC Scheme Mandate Limit as refreshed shall not exceed 10% of the total number of WuXi XDC Shares in issue as at the date of the aforesaid approval of the WuXi XDC Scheme Mandate Limit. Share options previously granted under the WuXi XDC Share Option Scheme and other share option schemes of WuXi XDC (including those outstanding, cancelled, lapsed in accordance with its terms or exercised options), will not be counted for the purpose of calculating the limit as refreshed. A circular must be sent to the Shareholders in connection with the meeting at which their approval will be sought.
- (d) WuXi XDC may also seek separate approval of the Shareholders in general meeting for granting share options beyond the WuXi XDC Scheme Mandate Limit provided that the share options exceeding the WuXi XDC Scheme Mandate Limit are granted only to eligible participants specifically identified by the WuXi XDC Board before such approval is sought. A circular shall be sent to the Shareholders containing a generic description of the specified eligible participants who may be granted such share options, the number and terms of the share options to be granted and the purpose of granting share options to the specified eligible participants with an explanation as to how the terms of the share options serve such purpose.

- (e) The total number of WuXi XDC Shares issued and to be issued upon exercise of the share options granted to each eligible participant (including both exercised, cancelled and outstanding share options) in any 12-month period shall not exceed 1% of the WuXi XDC Shares in issue (the “**WuXi XDC Individual Limit**”). Any further grant of share options to an eligible participant which would result in the WuXi XDC Shares issued and to be issued upon exercise of all share options granted and to be granted to such eligible participant (including exercised, cancelled and outstanding share options) in the 12-month period up to and including the date of grant of such further grant of share options exceeding the WuXi XDC Individual Limit shall be subject to approval of the Shareholders in advance with such eligible participant and his close associates (or his associates if such eligible participant is a connected person) abstaining from voting. A circular must be sent to the Shareholders disclosing the identity of such eligible participant and the number and terms of the share options granted and to be granted. The number and terms of share options to be granted to such eligible participants shall be fixed before Shareholders’ approval is sought and the date of the Board meeting for proposing such further grant shall for all purposes be the date of grant for the purpose of calculating the exercise price of share options.

7. OFFER AND GRANT OF SHARE OPTIONS

An offer of the grant of a share option shall be deemed to have been granted and accepted by the grantee and to have taken effect when the duplicate of the offer document constituting acceptance of the offer duly signed by the grantee with the number of WuXi XDC Shares in respect of which the offer is accepted clearly stated therein, together with a payment in favor of WuXi XDC of HK\$1.00 by way of consideration for the grant thereof is received by WuXi XDC on or before the relevant acceptance date, which being a date not later than 30 days after the relevant offer date. Such payment shall in no circumstances be refundable and shall be deemed as part payment of the exercise price.

8. EXERCISE PRICE

The exercise price of share options payable by any grantee shall, subject to the adjustment referred to in paragraph 13 below, be in such amount as determined by the WuXi XDC Board at its absolute discretion to be fair and reasonable on a case by case basis, after taking into account, among other things, the business performance of WuXi XDC, individual performance of the relevant grantee as well as the net asset value of WuXi XDC as shown in its latest available management accounts, provided that in the event that WuXi XDC resolves to seek a separate listing of its shares on the Stock Exchange, the exercise price of any share option granted after such resolution up to the listing date of WuXi XDC shall not be lower than the new issue price (if

any); and in particular, any share options granted during the period commencing six months before the lodgment of the listing application and up to the listing date of WuXi XDC shall not be lower than the new issue price.

9. RANKING OF WUXI XDC SHARES

The WuXi XDC Shares to be allotted upon the exercise of a share option shall be subject to all the provisions of the memorandum and articles of association of WuXi XDC and shall rank *pari passu* in all respects with and shall have the same voting, dividend, transfer and other rights, including those arising on liquidation of WuXi XDC as attached to the fully-paid WuXi XDC Shares in issue on the date of issue and rights in respect of any dividend or other distributions paid or made on or after the date of issue.

10. SUFFICIENT SHARE CAPITAL

Subject to the terms of the WuXi XDC Share Option Scheme, the WuXi XDC Board shall at all times set aside for the purpose of the WuXi XDC Share Option Scheme, out of the authorized but unissued share capital of WuXi XDC, such number of WuXi XDC Shares as the WuXi XDC Board may from time to time determine to be sufficient to meet subsisting requirements for the exercise of outstanding share options. No dividends shall be payable in relation to WuXi XDC Shares that are the subject of share options that have not been exercised. The WuXi XDC Shares to be allotted upon the exercise of a share option shall not carry voting rights until completion of the registration of the grantee (or such other person nominated by the grantee) as the holder thereof.

11. NO GRANT OF SHARE OPTIONS AFTER EXPIRY

Subject to the provisions of the rules of the WuXi XDC Share Option Scheme, the WuXi XDC Share Option Scheme shall be valid and effective for the period set out in paragraph 4. After the expiry of the WuXi XDC Scheme Period, no further share options shall be offered but the provisions of the WuXi XDC Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any share option granted prior to the termination or otherwise as may be required in accordance with the provisions of the WuXi XDC Share Option Scheme and share options granted prior to such termination shall continue to be valid and exercisable in accordance with the WuXi XDC Share Option Scheme.

12. LAPSE OF SHARE OPTIONS

Save as determined otherwise by the WuXi XDC Board at its sole discretion, a share option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

- (a) the expiry date relevant to that share option;
- (b) the expiry of any of the periods referred to in paragraph 17(a), (b), (c), (d) or (e);
- (c) the date on which the scheme of arrangement of WuXi XDC referred to in paragraph 17(d) becomes effective;
- (d) the date of the commencement of the winding-up of WuXi XDC;
- (e) the date on which the grantee ceases to be an eligible participant by reason of the termination of his relationship with WuXi XDC or any of its subsidiaries on any one or more of the grounds that he has been guilty of serious misconduct or has been convicted of any criminal offence involving his integrity or honesty or in relation to an employee of WuXi XDC or any of its subsidiaries (if so determined by the WuXi XDC Board) on any other ground on which an employer would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the grantee's service contract with WuXi XDC or its relevant subsidiary. A resolution of the WuXi XDC Board, or the relevant subsidiary of WuXi XDC, to the effect that the relationship of a grantee has or has not been terminated on one or more of the grounds specified in this paragraph shall be conclusive; and
- (f) the date on which the WuXi XDC Board shall exercise its right to cancel the share option at any time after the grantee commits a breach of paragraph 16 or the share options are cancelled in accordance with paragraph 14.

13. EFFECT OF ALTERATIONS TO SHARE CAPITAL

In the event of any capitalization issue, rights issue, sub-division or consolidation of shares or reduction of capital of WuXi XDC, such corresponding alterations (if any) shall be made (except on an issue of securities of WuXi XDC as consideration in a transaction which shall not be regarded as a circumstance requiring alteration or adjustment) in:

- (a) the number of WuXi XDC Shares subject to any outstanding share option; and/or
- (b) the exercise price of share options,

as the auditors or the approved independent financial adviser shall, at the request of WuXi XDC or any grantee, certify in writing either generally or as regards any particular grantee, to be in their opinion fair and reasonable, provided that any such alterations shall be made on the basis that a grantee shall have the same proportion of the equity capital of WuXi XDC as that to which that grantee was entitled to subscribe had he exercised all the share options held by him immediately before such adjustments and the aggregate exercise price of share options payable by a grantee on the full exercise of any share option shall remain as nearly as possible the same as (but shall not be greater than) it was before such event and that no such alterations shall be made if the effect of such alterations would be to enable a WuXi XDC Share to be issued at less than its nominal value.

14. CANCELLATION OF SHARE OPTIONS

Any cancellation of share options granted but not exercised must be approved by the grantees of the relevant share options in writing. For the avoidance of doubt, such approval is not required in the event any share option is cancelled pursuant to paragraph 16. Where WuXi XDC cancels share options, the grant of new options to the same grantee may only be made under the WuXi XDC Share Option Scheme within the limits thereto.

15. TERMINATION OF THE WUXI XDC SHARE OPTION SCHEME

The WuXi XDC Board may at any time resolve to terminate the operation of the WuXi XDC Share Option Scheme and in such event no further share options shall be offered but the provisions of the WuXi XDC Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any share option granted prior to the termination or otherwise as may be required in accordance with the provisions of the WuXi XDC Share Option Scheme and share options granted prior to such termination shall continue to be valid and exercisable in accordance with the WuXi XDC Share Option Scheme.

16. SHARE OPTIONS ARE PERSONAL

A share option shall be personal to the grantee and shall not be transferable or assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favor of any third party over or in relation to any share option held by him or any offer relating to the grant of a share option made to him or attempt to do so (save that the grantee may nominate a nominee in whose name the WuXi XDC Shares issued pursuant to the WuXi XDC Share Option Scheme may be registered). Any breach of the foregoing shall entitle WuXi XDC to cancel any outstanding share option or any part thereof granted to such grantee.

17. EXERCISE OF SHARE OPTIONS

Subject as hereinafter provided, a share option may be exercised by the grantee at any time or times during the option period, provided that:

- (a) in the event of the grantee ceasing to be an eligible participant for any reason other than on his death, ill-health, injury, disability or the termination of his relationship with WuXi XDC or any of its subsidiaries on one or more of the grounds specified in paragraph 12(e), the grantee may exercise any share option up to his entitlement at the date of cessation of being an eligible participant (to the extent not already exercised) within the period of one month (or such longer period as the WuXi XDC Board may determine) following the date of such cessation (which date shall be, in relation to a grantee who is an eligible participant by reason of his employment with WuXi XDC or any of its subsidiaries, the last actual working day with WuXi XDC or its subsidiary whether salary is paid in lieu of notice or not);
- (b) in the case of the grantee ceasing to be an eligible participant by reason of death, ill-health, injury or disability (all evidenced to the satisfaction of the WuXi XDC Board) and none of the events which would be a ground for termination of his relationship with WuXi XDC or any of its subsidiaries under paragraph 12(e) has occurred, the grantee or the personal representative(s) of the grantee shall be entitled within a period of 12 months (or such longer period as the WuXi XDC Board may determine) from the date of cessation of being an eligible participant or death to exercise the share option in full (to the extent not already exercised);
- (c) if a general offer (whether by way of take-over offer, share repurchase offer or scheme of arrangement or otherwise in like manner) is made to all the holders of WuXi XDC Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or in concert with the offeror), WuXi

XDC shall use its best endeavors to procure that such offer is extended to all the grantees (on the same terms mutatis mutandis, and assuming that they shall become, by the exercise in full of the share options granted to them, shareholders of WuXi XDC). If such offer, having been approved in accordance with applicable laws and regulatory requirements becomes, or is declared unconditional, the grantee (or his legal personal representative(s)) shall be entitled to exercise his option in full (to the extent not already exercised) at any time within 14 days after the date on which such general offer becomes or is declared unconditional;

- (d) if a compromise or arrangement between WuXi XDC and its members and/or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of WuXi XDC or its amalgamation with any other company or companies, WuXi XDC shall give notice thereof to all the grantees (together with a notice of the existence of the provisions of this paragraph) on the same day as it despatches to members and/or creditors of WuXi XDC a notice summoning the meeting to consider such a compromise or arrangement, and thereupon each grantee shall be entitled to exercise all or any of his share options in whole or in part at any time prior to 12:00 noon (Hong Kong time) on the Business Day immediately preceding the date of the meeting directed to be convened by the relevant court for the purposes of considering such compromise or arrangement and if there are more than one meeting for such purpose, the date of the first meeting. With effect from the date of such meeting, the rights of all grantees to exercise their respective share options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all share options shall, to the extent that they have not been exercised, lapsed and determined. The WuXi XDC Board shall endeavor to procure that the WuXi XDC Shares issued as a result of the exercise of share options in such circumstances shall for the purposes of such compromise or arrangement form part of the issued share capital of WuXi XDC on the effective date thereof and that such WuXi XDC Shares shall in all respects be subject to such compromise or arrangement. If for any reason such compromise or arrangement is not approved by the relevant court (whether upon the terms presented to the relevant court or upon any other terms as may be approved by such court) the rights of the grantees to exercise their respective share options shall with effect from the date of the making of the order by the relevant court be restored in full as if such compromise or arrangement had not been proposed by WuXi XDC and no claim shall lie against WuXi XDC or any of its officers for any loss or damage sustained by any grantee as a result of the aforesaid suspension; and

- (e) in the event a notice is given by WuXi XDC to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up WuXi XDC, WuXi XDC shall on the same date as or soon after it despatches such notice to each member of WuXi XDC give notice thereof to all grantees and thereupon, each grantee (or in the case of the death of the grantee, his personal representative(s)) shall be entitled to exercise all or any of his share options at any time not later than three Business Days prior to the proposed general meeting of WuXi XDC by giving notice in writing to WuXi XDC, accompanied by a payment for the full amount of the aggregate exercise price for the WuXi XDC Shares in respect of which the notice is given whereupon WuXi XDC shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot the relevant WuXi XDC Shares to the grantee credited as fully paid.

Subject to the other terms of the WuXi XDC Share Option Scheme, save as determined otherwise by the WuXi XDC Board at its sole discretion, a share option (to the extent that it is exercisable pursuant to the above) may be exercised by a grantee at any time during the option period in four tranches as follows: (i) twenty percent (20%) of the share options shall be vested on the date falling on the second (2nd) anniversary of the offer date; (ii) twenty percent (20%) of the share options shall be vested on the date falling on the third (3rd) anniversary of the offer date; (iii) twenty percent (20%) of the share options shall be vested on the date falling on the fourth (4th) anniversary of the offer date; and (iv) forty percent (40%) of the share options shall be vested on the date falling on the fifth (5th) anniversary of the offer date. For the avoidance of doubt, any proportion of any share option that has been vested shall be exercisable by the grantee from the relevant vesting date until the expiry of the option period.

18. ALTERATION OF THE WUXI XDC SHARE OPTION SCHEME

The terms and conditions of the WuXi XDC Share Option Scheme and the regulations for the administration and operation of the WuXi XDC Share Option Scheme (provided that the same are not inconsistent with the WuXi XDC Share Option Scheme and the Listing Rules) may be altered in any respect by resolution of the WuXi XDC Board except that (a) any alteration to the advantage of the grantees or the eligible participants (as the case may be) in respect of the matters contained in Rule 17.03 of the Listing Rules; (b) any material alteration to the terms and conditions of the WuXi XDC Share Option Scheme (including the principal terms of the WuXi XDC Share Option Scheme set out above) or any change to the terms of share options granted (except any alterations which take effect automatically under the terms of the WuXi XDC Share Option Scheme); or (c) any change to the authority of the WuXi XDC Board in relation to any alteration to the terms of the WuXi XDC Share Option Scheme, may only be made with the prior

approval of the Shareholders at a duly convened general meeting, provided that any persons to whom or for whose benefit the WuXi XDC Shares may be issued under the WuXi XDC Share Option Scheme and their respective associates shall abstain from voting at general meeting, and provided further that the amended terms of the WuXi XDC Share Option Scheme or the share options shall remain in compliance with Chapter 17 of the Listing Rules and no alteration shall operate to affect adversely the terms of issue of any share option granted or agreed to be granted prior to such alteration or to reduce the proportion of the equity capital to which any person was entitled pursuant to such share option prior to such alteration except with (i) the consent in writing of the grantees holding in aggregate share options which if exercised in full on the date immediately preceding that on which such consent is obtained would entitle them to the issue of three-fourths in nominal value of all WuXi XDC Shares which would fall to be issued upon the exercise of all share options outstanding on that date; or (ii) the sanction of a special resolution.

NOTICE OF EXTRAORDINARY GENERAL MEETING



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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an extraordinary general meeting (the “**Meeting**”) of WuXi Biologics (Cayman) Inc. 藥明生物技術有限公司* (the “**Company**”) will be held at the meeting room of Sheraton Shanghai Waigaoqiao Hotel, 28 Jilong Road, Pilot Free Trade Zone, Shanghai, China on Tuesday, November 23, 2021 at 12:45 p.m. for the purpose of considering and, if thought fit, passing (with or without modifications) the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“THAT:

- (a) the rules of the proposed share option scheme of WuXi Vaccines (Cayman) Inc. (the “**WuXi Vaccines Share Option Scheme**”), the terms of which are set out in the document marked “A” which has been produced to this meeting and signed by the chairman of this meeting for the purpose of identification, be and are hereby approved and adopted; and the directors of the Company (the “**Directors**”) be and are hereby authorized, confirmed and ratified to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the WuXi Vaccines Share Option Scheme; and
- (b) the rules of the proposed share option scheme of WuXi XDC Cayman Inc. (the “**WuXi XDC Share Option Scheme**”), the terms of which are set out in the document marked “B” which has been produced to this meeting and signed by the chairman of this meeting for the purpose of identification, be and are hereby approved and adopted; and the Directors be and are hereby authorized, confirmed and ratified to do all such acts

* For identification purpose only

NOTICE OF EXTRAORDINARY GENERAL MEETING

and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the WuXi XDC Share Option Scheme.”

For and on behalf of the Board
WuXi Biologics (Cayman) Inc.
Dr. Ge Li
Chairman

Hong Kong, November 4, 2021

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 Hong Kong Exchanges and Clearing Limited 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 another person (who must be an individual) as his proxy to attend and vote instead of him and a proxy so appointed shall have the same right as the shareholder to speak at the Meeting. A proxy need not be a shareholder of the Company. A shareholder may appoint any number of proxies to attend in his stead at the Meeting.
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 notarially certified copy of such power or authority, must be deposited at the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for the holding of the Meeting (i.e. no later than 12:45 p.m. on Sunday, November 21, 2021, Hong Kong time) or any adjournment thereof. 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 form of proxy shall be deemed to be revoked.
4. For determining the qualification as shareholders of the Company to attend and vote at the Meeting, the register of members of the Company will be closed from Thursday, November 18, 2021 to Tuesday, November 23, 2021, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Meeting, investors are required to lodge all transfer documents accompanied by the relevant share certificates with the Company’s Hong Kong branch share registrar, 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 Wednesday, November 17, 2021.
5. Detailed information of the resolution as set out in the Notice of the Meeting is included in the circular to be despatched to shareholders of the Company on November 4, 2021 (the “**Circular**”). The Circular is to be sent to all shareholders of the Company together with this notice. The Circular can also be viewed and downloaded from the website of the Company at www.wuxibiologics.com and the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk.

NOTICE OF EXTRAORDINARY GENERAL MEETING

6. In case of joint shareholding, the vote of the senior joint shareholder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint shareholder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the joint shareholding. Accordingly, investors who wish to have joint shareholding in the Company should bear in mind the above provision when they decide the way in which their names being provided for share registration.

As at the date of this notice, the board of directors of the Company comprises Dr. Zhisheng Chen and Dr. Weichang Zhou as executive Directors; Dr. Ge Li, Dr. Ning Zhao, 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.