

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

GRANT OF SHARE OPTIONS UNDER THE SUBSIDIARY SHARE OPTION SCHEME

This announcement is made pursuant to Rule 17.06A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

Reference is made to the circular of WuXi Biologics (Cayman) Inc. (the “**Company**”) dated November 4, 2021 (the “**Circular**”) in relation to, among other things, the adoption of the share option scheme of WuXi XDC Cayman Inc. (“**WuXi XDC**”), a subsidiary of the Company. Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as defined in the Circular.

The Board is pleased to announce that on August 18, 2022 (“**Date of Grant**”), WuXi XDC has approved the grant of 9,052,830 share options (the “**WuXi XDC Share Options**”) in aggregate (the “**WuXi XDC Grant**”) to 66 employees of WuXi XDC (the “**WuXi XDC Grantees**”), subject to acceptance of the WuXi XDC Grantees, pursuant to the WuXi XDC Share Option Scheme.

Details of the WuXi XDC Grant are as follows:

Date of Grant	: August 18, 2022
Exercise Price of the WuXi XDC Share Options Granted	: RMB1.85, which is decided by WuXi XDC Board based on the equity value determined by an independent professional valuer engaged by WuXi XDC.

The independent professional valuer applied traditional valuation techniques and methodologies, including valuation techniques and methods that comply with guidance provided by the American Institute of Certified Public Accountants (AICPA) in its Accounting & Valuation Guide. The valuer adopted guideline transaction method under the market approach in determining the market value of WuXi XDC Shares, with reference to comparable transactions within the past year which involved acquisitions of target companies that are primarily engaged in the similar industry with the following selection criteria: (i) the purchasers were companies listed in Hong Kong or mainland China; (ii) the target companies were privately held companies; (iii) the target companies primarily engage in CRO (Contract Research Organization) or CDMO (Contract Development and Manufacturing Organization) worldwide; (iv) the target companies were profitable at the time of the relevant acquisition; and (v) the transaction particulars are publicly available. The valuer made the following key assumptions: (i) there will be no material changes in the existing political, legal, fiscal or economic conditions in places in which WuXi XDC carries on or will carry on its business; (ii) WuXi XDC operates on a going-concern basis; (iii) there will be no material changes in the corporate tax rates, interest rates and exchange rates that would have material impact on WuXi XDC; (iv) there are no undisclosed actual or contingent assets or liabilities, no unusual obligations or substantial commitments, other than in the ordinary course of business and as reflected in the financial statements, nor any litigation pending or threatened, which would have a material impact on the value of WuXi XDC; and (v) the market data, industrial information and statistical figures obtained from publicly available sources are true and accurate. The fair value of equity value of WuXi XDC is determined by using the price-to-earnings multiple of comparable transactions.

- Number of WuXi XDC Share Options Granted** : 9,052,830
- Validity Period of the WuXi XDC Share Options** : August 18, 2022 to August 17, 2032, both dates inclusive
- Vesting Schedule of the WuXi XDC Share Options** : 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:
- (i) twenty percent (20%) of the WuXi XDC Share Options shall be vested on the date falling on the second (2nd) anniversary of the Date of Grant;
 - (ii) twenty percent (20%) of the WuXi XDC Share Options shall be vested on the date falling on the third (3rd) anniversary of the Date of Grant;
 - (iii) twenty percent (20%) of the WuXi XDC Share Options shall be vested on the date falling on the fourth (4th) anniversary of the Date of Grant; and
 - (iv) forty percent (40%) of the WuXi XDC Share Options shall be vested on the date falling on the fifth (5th) anniversary of the Date of Grant.

None of the WuXi XDC Grantees is a director, chief executive or substantial shareholder (as defined under the Listing Rules) of the Company or WuXi XDC, or an associate (as defined in the Listing Rules) of any of them.

As at the date of this announcement, save for (i) the grant of share options of WuXi XDC under the WuXi XDC Share Option Scheme on April 1, 2022 (details of which are set out in the Company's announcement dated April 3, 2022); and (ii) the grant of share options of WuXi Vaccines under the WuXi Vaccines Share Option Scheme on May 16, 2022 (details of which are set out in the Company's announcement dated May 16, 2022), no share option has been granted to any director, chief executive or substantial shareholder of the Company (or any of their respective associates) under any share option scheme of the Group in the 12-month period up to and including the Date of Grant.

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

Hong Kong, August 18, 2022

As at the date of this announcement, the Board 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.

* *For identification purpose only*