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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional 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)**

- (1) PROPOSED RE-ELECTION OF RETIRING DIRECTORS**  
**(2) PROPOSED ELECTION OF NEW DIRECTOR**  
**(3) CONNECTED TRANSACTION INVOLVING GRANT OF RESTRICTED SHARES TO CONNECTED PERSONS PURSUANT TO SPECIFIC MANDATE**  
**(4) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES AND**  
**(5) NOTICE OF ANNUAL GENERAL MEETING**

**Independent Financial Advisor to the Independent Shareholders**



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The notice convening the Annual 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 Wednesday, June 16, 2021 at 3:00 p.m. is set out in this circular.

Whether or not you are able to attend the Annual General Meeting, you are advised to read the notice and to complete and sign the enclosed form of proxy for use at the Annual 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 Annual General Meeting (i.e. not later than 3:00 p.m. on Monday, June 14, 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 Annual 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](http://www.hkexnews.hk)) and the Company ([www.wuxibiologics.com](http://www.wuxibiologics.com)).

A letter from the Board is set out on pages 6 to 26 of this circular. A letter from Opus Capital, the Independent Financial Advisor, containing its advice to the Independent Shareholders, is set out on pages 27 to 53 of this circular.

\* For identification purpose only

May 17, 2021

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## DEFINITIONS

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

“Annual General Meeting”	the annual 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 Wednesday, June 16, 2021 at 3:00 p.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 71 to 77 of this circular, or any adjournment thereof
“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
“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
“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 Grantee(s)”	the Grantee(s) who are connected person(s) of the Company, namely, Dr. Zhisheng Chen, Dr. Weichang Zhou, Mr. William Robert Keller, Mr. Teh-Ming Walter Kwauk, Mr. Kenneth Walton Hitchner III, Mr. Jian Dong, Mr. Angus Scott Marshall Turner and Mr. Brendan McGrath
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Connected Restricted Shares”	1,493,141 Restricted Shares granted by the Company to the Connected Grantees
“Director(s)”	the director(s) of the Company

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## DEFINITIONS

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“Eligible Participant(s)”	any Director or employee of the Group
“ESG Committee”	the environmental, social and governance committee of the Board
“EU”	a politico-economic union of 27 member states that are located primarily in Europe
“Grant”	the grant of the 6,229,361 Restricted Shares to the Grantees on March 24, 2021
“Grantee(s)”	the selected Eligible Participant(s) granted or proposed to be granted the 6,229,361 Restricted Shares under the Scheme
“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
“Independent Financial Advisor” or “Opus Capital”	Opus Capital Limited, a corporation licensed to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, the independent financial advisor appointed to advise the Independent Shareholders in respect of the issue and allotment of the Connected Restricted Shares to the Connected Grantees, the Specific Mandate and the transactions contemplated thereunder
“Independent Shareholders”	the independent Shareholders other than the Connected Grantees and their respective associates
“Latest Practicable Date”	May 12, 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular

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## DEFINITIONS

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“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time
“Non-connected Grantee(s)”	the Grantee(s) who are not connected person(s) of the Company
“Nomination Committee”	the nomination committee of the Board
“Remuneration Committee”	the remuneration committee of the Board
“Restricted Shares”	any Shares that may be offered by the Company to any selected Eligible Participant under the Scheme
“RMB”	Renminbi, the lawful currency of the PRC
“RSU Grant Announcement”	the announcement of the Company dated March 24, 2021 in relation to, among others, the grant of the 6,229,361 Restricted Shares to the Grantees and the appointment of the Independent Financial Advisor
“Rules”	the rules governing the Scheme adopted by the Board
“Scheme”	the Restricted Share Award Scheme adopted by the Board on January 15, 2018 whereby awards of Restricted Shares may be made to Eligible Participants under the Scheme (such Shares being subscribed or purchased by the Trustee)
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	the ordinary share(s) in the capital of the Company with nominal value of US\$1/120,000 each
“Shareholder(s)”	the holder(s) of the Shares

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## DEFINITIONS

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“Share Issue Mandate”	a general mandate proposed to be granted to the Directors to issue, allot or deal with additional Shares of not exceeding 10% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of the Annual General Meeting
“Share Repurchase Mandate”	a general mandate proposed to be granted to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 7 of the notice of the Annual General Meeting
“Specific Mandate”	the specific mandate to be sought from the Independent Shareholders at the Annual General Meeting to grant the authority to the Board for the issue and allotment of the Connected Restricted Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary Director(s)”	the director(s) or chief executive of any subsidiary of the Company
“Takeovers Code”	the Code on Takeovers and Mergers approved by the Securities and Futures Commission as amended from time to time
“Trustee”	the trustee for the time being of the Scheme, being Computershare Hong Kong Trustees Limited (which is independent of the Company and not connected with the Company and its connected persons)
“US”	the United States of America
“US\$”	United States dollars, the lawful currency of the United States of America

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## DEFINITIONS

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“2020 AGM”	the annual general meeting of the Company held on June 9, 2020
“2020 General Mandate”	the general mandate granted by the Shareholders to the Directors to issue, allot and otherwise deal with new Shares at the 2020 AGM
“%”	per cent.

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LETTER FROM THE BOARD

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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)**

*Executive Directors:*

Dr. Zhisheng Chen (*Chief Executive Officer*)  
Dr. Weichang Zhou (*Chief Technology Officer*)

*Non-executive Directors:*

Dr. Ge Li (*Chairman*)  
Mr. Edward Hu  
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  
Mashan, Wuxi  
China

*Principal Place of Business in Hong Kong:*

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

May 17, 2021

*To the Shareholders*

Dear Sir/Madam,

- (1) PROPOSED RE-ELECTION OF RETIRING DIRECTORS**  
**(2) PROPOSED ELECTION OF NEW DIRECTOR**  
**(3) CONNECTED TRANSACTION INVOLVING GRANT OF RESTRICTED SHARES TO CONNECTED PERSONS PURSUANT TO SPECIFIC MANDATE**  
**(4) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES**  
**AND**  
**(5) NOTICE OF ANNUAL GENERAL MEETING**

\* For identification purpose only



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## LETTER FROM THE BOARD

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### 1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with, among other things, (i) further details of the proposed grant of the Connected Restricted Shares to the Connected Grantees, the Specific Mandate and the transactions contemplated thereunder; (ii) a letter of advice from the Independent Financial Advisor to the Independent Shareholders in respect of the proposed issue and allotment of the Connected Restricted Shares to the Connected Grantees, the Specific Mandate and the transactions contemplated thereunder; and (iii) information in respect of certain resolutions to be proposed at the Annual General Meeting. These include ordinary resolutions relating to, among other things, (i) the proposed re-election of certain retiring Directors; (ii) the proposed election of a new Director; and (iii) the proposed grant of the Share Issue Mandate and the Share Repurchase Mandate.

### 2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

In relation to item 2 as set out in the notice of the Annual General Meeting, Mr. Edward Hu, Mr. William Robert Keller and Mr. Teh-Ming Walter Kwauk shall retire by rotation as Directors at the Annual General Meeting pursuant to Article 16.18 of the Articles of Association. Save and except that Mr. Edward Hu who has decided not to offer himself for re-election of Director at the Annual General Meeting, the remaining retiring Directors, being eligible, will offer themselves for re-election at the Annual General Meeting. Mr. Edward Hu has recently informed the Company that he will not stand for re-election at the Annual General Meeting as he wishes to devote more time to his other business commitments. He has confirmed that there is no disagreement between him and the Board, and there are no matters relating to his retirement that need to be brought to the attention of the Shareholders or the Stock Exchange.

Mr. William Robert Keller and Mr. Teh-Ming Walter Kwauk, being the independent non-executive Directors, have confirmed their independence with reference to the factors set out in Rule 3.13 of the Listing Rules.

Each of Mr. William Robert Keller and Mr. Teh-Ming Walter Kwauk has confirmed that they will devote sufficient time for discharge of their functions and responsibilities as an independent non-executive Director. With their background and experience, Mr. William Robert Keller and Mr. Teh-Ming Walter Kwauk are fully aware of the responsibilities and expected time involvement in the Company.

The biographies of the retiring Directors who seek for re-election at the Annual General Meeting, namely, Mr. William Robert Keller and Mr. Teh-Ming Walter Kwauk, are set out in Appendix II to this circular.

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## LETTER FROM THE BOARD

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### 3. PROPOSED ELECTION OF NEW DIRECTOR

In relation to item 3 as set out in the notice of the Annual General Meeting, the Board recommends Dr. Ning Zhao to be appointed as a new non-executive Director and a member of each of the Remuneration Committee and the ESG Committee and relevant resolution will be proposed at the Annual General Meeting pursuant to Article 16.3 of the Articles of Association. The Company believes that Dr. Ning Zhao, with her extensive experience in pharmaceutical industry and human resources management, will bring valuable business experience, knowledge and professionalism to the Board. Furthermore, the nomination of Dr. Ning Zhao's will enhance steps towards increasing gender diversity of the Board's composition of members.

The biography of Dr. Ning Zhao is set out in Appendix II to this circular. Subject to Dr. Ning Zhao being elected as new Director at the Annual General Meeting, she will be a non-executive Director and a member of each of the Remuneration Committee and the ESG Committee with effect from the conclusion of the Annual General Meeting.

To ensure that the Board has a balance of skills, knowledge, experience and gender diversity as well as different perspectives appropriate to the Company's business needs and development, the Nomination Committee has reviewed the structure and composition of the Board, the confirmations and disclosures given by the retiring Directors and new Director, their qualifications, skills and experience, time commitment and contribution with reference to the nomination principles and criteria set out in the Company's Board Diversity Policy and Director Nomination Policy and the Company's corporate strategy, and the independence of all independent non-executive Directors. The Nomination Committee has recommended to the Board, and the Board has accepted such recommendation, on the re-election of Mr. William Robert Keller and Mr. Teh-Ming Walter Kwauk, who are due to retire at the Annual General Meeting, as independent non-executive Directors, and the election of Dr. Ning Zhao as new Director at the Annual General Meeting. The Company considers that the retiring independent non-executive Directors are independent in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules and will bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity.

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## LETTER FROM THE BOARD

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#### 4. CONNECTED TRANSACTION INVOLVING GRANT OF RESTRICTED SHARES TO CONNECTED PERSONS PURSUANT TO SPECIFIC MANDATE

Reference is made to the RSU Grant Announcement in relation to, among others, the grant of Restricted Shares to the Grantees and the appointment of the Independent Financial Advisor.

On March 24, 2021, the Board has approved, subject to acceptance of the Grantees and other conditions, the grant of 6,229,361 Restricted Shares in aggregate to the Grantees, of which (i) 4,736,220 Restricted Shares are granted to 1,617 employees of the Company (who are not connected persons of the Company) and shall be satisfied by the issue and allotment of new Shares to the Trustee pursuant to the 2020 General Mandate and in accordance with the terms of the Rules; and (ii) 1,493,141 Restricted Shares are proposed to be granted to the Connected Grantees and shall be satisfied by the issue and allotment of new Shares to the Trustee pursuant to the Specific Mandate and in accordance with the terms of the Rules.

The new Restricted Shares so issued will be held on trust for the Grantees until the end of each vesting period which may differ among the Grantees and be transferred to the Grantees upon satisfaction of the relevant vesting conditions as may be specified by the Board at the time of making the Grant including, but not limited to, the Connected Grantees shall remain as directors or employees of the Group until the end of their respective vesting periods. Based on the closing price of HK\$87.95 per Share as quoted on the Stock Exchange as at the date of the RSU Grant Announcement (i.e. March 24, 2021), the market value of 4,736,220 new Restricted Shares to be issued and allotted to the Non-connected Grantees is HK\$416,550,549.00, and the 1,493,141 new Restricted Shares to be issued and allotted to the Connected Grantees is HK\$131,321,750.95. Based on the closing price of HK\$106.60 per Share as quoted on the Stock Exchange as at the Latest Practicable Date, the market value of 4,736,220 new Restricted Shares to be issued and allotted to the Non-connected Grantees, and the 1,493,141 new Restricted Shares to be issued and allotted to the Connected Grantees are HK\$504,881,052.00 and HK\$159,168,830.60, respectively. The aggregate nominal value of the new Restricted Shares is approximately US\$51.91. The average closing prices of the Shares for the five consecutive trading days immediately preceding the date of the RSU Grant Announcement as quoted on the Stock Exchange is approximately HK\$91.20 per Share.

As at the Latest Practicable Date, the Company had granted 66,167,291 Restricted Shares under the Scheme. The number of Shares available for further grant under the Scheme before and after the Grant (assuming all the Restricted Shares granted are fully vested) are 54,342,793 Shares and 48,113,432 Shares, respectively, representing approximately 1.29% and 1.14% of the total issued share capital of the Company as at the Latest Practicable Date.

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## LETTER FROM THE BOARD

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### **Issue and Allotment of the Connected Restricted Shares**

The issue and allotment of the Connected Restricted Shares to the Connected Grantees shall be subject to (i) the approval by the Independent Shareholders at the Annual General Meeting in respect of the issue and allotment of the Connected Restricted Shares, the Specific Mandate and the transactions contemplated therein; and (ii) the Listing Committee of the Stock Exchange having granted the approval for the listing of, and permission to deal in the new Connected Restricted Shares.

The Company considers that the issue and allotment of the Connected Restricted Shares to the Connected Grantees is an appropriate incentive method and in the interest of the Company and its Shareholders as a whole. Unlike giving a cash bonus, the grant of the Restricted Shares will enable the Company to prevent cash outflow of the Group, while at the same time aligning the interests of the Connected Grantees with the Company and its Shareholders.

As a result of the issue and allotment of the aggregate of 6,229,361 Restricted Shares, taking into account of 1,493,141 Connected Restricted Shares that may be issued, the shareholding interests of existing public Shareholders will be diluted from 82.16% to approximately 82.03% of the total issued share capital of the Company as at the Latest Practicable Date, and the dilution effect on the shareholdings of the existing public Shareholders is immaterial. Accordingly, the Directors consider that the grant of the Connected Restricted Shares and the issue and allotment of new Connected Restricted Shares are fair and reasonable, and are in the interests of the Company and its Shareholders as a whole.

Upon the issue and allotment of the new Connected Restricted Shares, the Trustee will hold the new Shares on trust for the Connected Grantees and such new Connected Restricted Shares shall be transferred to the Connected Grantees at nil consideration until the end of each vesting period which may differ among the Connected Grantees and subject to the satisfaction of the relevant vesting conditions as may be specified by the Board at the time of making the grant. As such, no fund will be raised by the Company as a result of the issue and allotment of the new Connected Restricted Shares.

### **Application for Listing**

Application will be made by the Company to the Listing Committee of the Stock Exchange for the granting of the listing of, and permission to deal in, the aggregate of 1,493,141 new Connected Restricted Shares.

## LETTER FROM THE BOARD

The new Connected Restricted Shares will be issued and allotted to the Connected Grantees with details as follows:

Name of Connected Grantee	Number of the Connected Restricted Shares	Approximate market value of the Connected Restricted Shares as at the date of the announcement dated March 24, 2021 <i>HK\$</i> <i>(Note 1)</i>	Approximate market value of the Connected Restricted Shares as at the Latest Practicable Date <i>HK\$</i> <i>(Note 2)</i>	Approximate percentage of total number of Shares in issue as at the Latest Practicable Date
<b>Directors</b>				
Dr. Zhisheng Chen	945,200	83,130,340.00	100,758,320.00	0.02%
Dr. Weichang Zhou	263,679	23,190,568.05	28,108,181.40	0.01%
Mr. William Robert Keller	2,467	216,972.65	262,982.20	0.00%
Mr. Teh-Ming Walter Kwauk	4,934	433,945.30	525,964.40	0.00%
Mr. Kenneth Walton Hitchner III	4,934	433,945.30	525,964.40	0.00%
<b><i>Sub-total</i></b>	<b>1,221,214</b>	<b>107,405,771.30</b>	<b>130,181,412.40</b>	<b>0.03%</b>
<b>Subsidiary Directors</b>				
Mr. Jian Dong	156,202	13,737,965.90	16,651,133.20	0.00%
Mr. Angus Scott Marshall Turner	98,305	8,645,924.75	10,479,313.00	0.00%
Mr. Brendan McGrath	17,420	1,532,089.00	1,856,972.00	0.00%
<b><i>Sub-total</i></b>	<b>271,927</b>	<b>23,915,979.65</b>	<b>28,987,418.20</b>	<b>0.01%</b>
<b>Total</b>	<b>1,493,141</b>	<b>131,321,750.95</b>	<b>159,168,830.60</b>	<b>0.04%</b>

*Notes:*

1. The market value of the Connected Restricted Shares is calculated based on the closing market price of HK\$87.95 per Share as at March 24, 2021.
2. The market value of the Connected Restricted Shares is calculated based on the closing market price of HK\$106.60 per Share as at May 12, 2021, being the Latest Practicable Date.

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## LETTER FROM THE BOARD

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The aggregate of 1,493,141 new Connected Restricted Shares to be issued and allotted by the Company, represent (i) approximately 0.04% of the total number of Shares in issue as at the Latest Practicable Date; and (ii) approximately 0.04% of the total number of Shares in issue as enlarged by the issue and allotment of the new Connected Restricted Shares (assuming there is no change in the issued share capital of the Company from the Latest Practicable Date up to the allotment date of the new Shares, other than the issue and allotment of the new Connected Restricted Shares).

The grant of the Connected Restricted Shares to the Connected Grantees has been approved by the Board on March 24, 2021, being the date of grant subject to the acceptance of the Connected Grantees and other conditions as may be determined by the Board, including the Independent Shareholders' approval at the Annual General Meeting. The vesting period for the Connected Restricted Shares to be granted to the independent non-executive Directors (i.e. Mr. William Robert Keller, Mr. Teh-Ming Walter Kwauk and Mr. Kenneth Walton Hitchner III) is one year while the vesting period for the Connected Restricted Shares to be granted to the remaining Connected Grantees is five years. The Board determined that the Connected Grantees and the number of Restricted Shares granted to them with reference to, among other things, their respective roles, responsibilities, years of services, work experience, contributions, remuneration packages and prevailing compensation of similar positions in the market.

The positions, roles, responsibilities and years of services in the Group of the Connected Grantees are set out as follows:

<b>Name of Connected Grantee</b>	<b>Position</b>	<b>Year of services in the Group</b>	<b>Responsibility</b>
<b>Directors</b>			
Dr. Zhisheng Chen	Executive Director and chief executive officer of the Company	10	Responsible for overall management of the business of the Group
Dr. Weichang Zhou	Executive Director and chief technology officer of the Company	8	Responsible for overseeing the development and manufacturing of biologics
Mr. William Robert Keller	Independent non-executive Director	4	Responsible for supervising and providing independent opinion to the Board

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## LETTER FROM THE BOARD

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Name of Connected Grantee	Position	Year of services in the Group	Responsibility
Mr. Teh-Ming Walter Kwauk	Independent non-executive Director	4	Responsible for supervising and providing independent opinion to the Board
Mr. Kenneth Walton Hitchner III	Independent non-executive Director	Almost 1	Responsible for supervising and providing independent opinion to the Board
<b>Subsidiary Directors</b>			
Mr. Jian Dong	Director of WuXi Biologics Ireland Limited and WuXi Biologics Germany GmbH and chief executive officer of WuXi Vaccines Ireland Limited	7	Responsible for overall management of the business of WuXi Vaccines Ireland Limited and the Group's new facility development
Mr. Angus Scott Marshall Turner	Director of WuXi Biologics Ireland Limited	5	Responsible for overall management of global business development and alliance management of the Group, including WuXi Biologics Ireland Limited
Mr. Brendan McGrath	Director of WuXi Vaccines Ireland Limited and WuXi Biologics Ireland Limited	3	Responsible for green field project of WuXi Biologics Ireland Limited as site head

## LETTER FROM THE BOARD

The shareholding effects of the Grant as at the Latest Practicable Date and immediately after the issuance, allotment and full vesting of the Connected Restricted Shares and Restricted Shares to the Non-connected Grantees (assuming no other change in the issued share capital of the Company other than the issuance, allotment and full vesting of the Connected Restricted Shares and Restricted Shares to the Non-connected Grantees) is as follows:

Name of shareholder	As at the Latest Practicable Date		Immediately after the issuance, allotment and full vesting of the Connected Restricted Shares and Restricted Shares to the Non-connected Grantees (assuming no other change in the issued share capital of the Company)	
	No. of Shares	%	No. of Shares	%
WuXi Biologics Holdings Limited (Note 1)	735,251,133	17.43%	735,251,133	17.40%
<b>Sub-total</b>	<b>735,251,133</b>	<b>17.43%</b>	<b>735,251,133</b>	<b>17.40%</b>
<b>Director</b>				
Mr. Edward Hu	2,137,500	0.05%	2,137,500	0.05%
	13,680 Restricted Shares		13,680 Restricted Shares	
<b>Sub-total</b>	<b>2,137,500</b>	<b>0.05%</b>	<b>2,137,500</b>	<b>0.05%</b>
	13,680 Restricted Shares		13,680 Restricted Shares	
<b>Connected Grantees</b>				
<b>Directors</b>				
Dr. Zhisheng Chen (Note 2)	9,934,254	2.84%	9,934,254	2.86%
	105,732,000 share options		105,732,000 share options	
	4,138,296 Restricted Shares		5,083,496 Restricted Shares	
Dr. Weichang Zhou	15,089,000 share options	0.38%	15,089,000 share options	0.38%
	827,157 Restricted Shares		1,090,836 Restricted Shares	



## LETTER FROM THE BOARD

Name of shareholder	As at the Latest Practicable Date		Immediately after the issuance, allotment and full vesting of the Connected Restricted Shares and Restricted Shares to the Non-connected Grantees (assuming no other change in the issued share capital of the Company)	
	No. of Shares	%	No. of Shares	%
Mr. William Robert Keller	8,472	0.00%	8,472	0.00%
	6,840 Restricted Shares		9,307 Restricted Shares	
Mr. Teh-Ming Walter Kwauk	13,680 Restricted Shares	0.00%	18,614 Restricted Shares	0.00%
Mr. Kenneth Walton	40,000	0.00%	40,000	0.00%
Hitchner III			4,934 Restricted Shares	
<b><i>Subsidiary Directors</i></b>				
Mr. Jian Dong	25,135	0.15%	25,135	0.15%
	6,012,000 share options		6,012,000 share options	
	189,348 Restricted Shares		345,550 Restricted Shares	
Mr. Angus Scott Marshall	912,000 share options	0.02%	912,000 share options	0.02%
Turner	29,511 Restricted Shares		127,816 Restricted Shares	
Mr. Brendan McGrath	160,083 Restricted Shares	0.00%	177,503 Restricted Shares	0.00%
<b><i>Sub-total</i></b>	10,007,861	0.24%	10,007,861	0.24%
	127,745,000 share options	3.03%	127,745,000 share options	3.02%
	5,364,915 Restricted Shares	0.13%	6,858,056 Restricted Shares	0.16%
<b>Non-connected Grantees</b>	0	0.00%	4,736,220 Restricted Shares	0.11%
<b><i>Sub-total</i></b>	10,007,861	0.24%	10,007,861	0.24%
	127,745,000 share options	3.03%	127,745,000 share options	3.02%
	5,364,915 Restricted Shares	0.13%	11,594,276 Restricted Shares	0.27%
<b>Public shareholders</b>	3,465,666,089	82.16%	3,465,666,089	82.03%
<b>Total</b>	<b>4,218,441,178</b>	<b>100%</b>	<b>4,224,670,539</b>	<b>100%</b>

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## LETTER FROM THE BOARD

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*Notes:*

1. New WuXi Life Science Holdings Limited wholly owned New WuXi Life Science Limited, which wholly owned WuXi PharmaTech (Cayman) Inc., which in turn controlled 42.29% of the voting power at general meetings of WuXi Biologics Holdings Limited. WuXi Biologics Holdings Limited directly owned 735,251,133 Shares. New WuXi Life Science Holdings Limited, New WuXi Life Science Limited and WuXi PharmaTech (Cayman) Inc. are deemed to be interested in the Shares held by WuXi Biologics Holdings Limited.
2. The 9,934,254 Shares held by Dr. Zhisheng Chen through a trust of which Dr. Zhisheng Chen is the settlor (founder) and his spouse and child are the beneficiaries.

### **INFORMATION ABOUT THE GROUP**

The Group is principally engaged in the provision of end-to-end solutions and services for biologics discovery, development and manufacturing to customers involving in biologics industry.

### **REASONS FOR AND BENEFITS OF THE GRANT OF THE CONNECTED RESTRICTED SHARES TO THE CONNECTED GRANTEEES**

The Scheme forms part of the incentive schemes of the Group. The Board considers that the grant of the Restricted Shares to the Connected Grantees is to (i) recognize and reward the contributions made by the Connected Grantees; (ii) encourage, motivate and retain the Connected Grantees, whose contributions are beneficial to the continual operation, development and long-term growth of the Group; and (iii) provide additional incentive for the Connected Grantees to achieve performance goals, with a view to achieving the objectives of increasing the value of the Group and aligning the interests of the Connected Grantees to the Shareholders through ownership of Shares. The grant recognizes their past contributions to the Group's business performance and aims to secure their long term support and commitment to the Group which are vital to the future development of the Group. As the Group's business is undergoing rapid expansion, the Company believes that the grant of the Connected Restricted Shares to the Connected Grantees serves as an important incentive to motivate them to bring a higher return to the Company.

The Board is of the view that the grant of the Connected Restricted Shares to the Connected Grantees is in line with the Company's remuneration policy, which includes base salary, discretionary bonus and other benefits such as the Scheme and share options. Such grant aligns the interests of the Connected Grantees directly with the interests of the Shareholders through ownership of the Shares and helps to further encourage them to devote their efforts to the Group's development. The number of the Connected Restricted Shares being granted to each Connected Grantee is being derived at based on the commercial assessment of the Board having taken into account a number of factors, including, without limitation, the roles and responsibilities, seniority,

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## LETTER FROM THE BOARD

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the specific expertise and relevant experiences, such as expertise in biotech and pharmaceutical industry, marketing and business strategies, financial management and human resources management, and their historical and expected contributions to the Group.

### *Proposed Grant to Dr. Zhisheng Chen and Dr. Weichang Zhou*

With respect to the grant of the Connected Restricted Shares to the executive Directors, namely, Dr. Zhisheng Chen and Dr. Weichang Zhou, (i) serves as discretionary and promotion bonus in recognition of their valuable and substantial contributions to the Group; and (ii) forms part of their respective remuneration package for their services provided to the Group. Details of the professional expertise, experience, business network and contributions to the Group of each of Dr. Zhisheng Chen and Dr. Weichang Zhou are set out below:

**Dr. Zhisheng Chen** joined the Group in June 2011 and was appointed as an executive Director and the chief executive officer of the Company in February 2014 and January 2016, respectively. Under his management, the Group has experienced growth at an unprecedented speed. In addition, Dr. Zhisheng Chen assembled one of the world's largest biologics teams of the Company with over 6,000 employees that can take up 80 IND (Investigational New Drug) programs and 7 BLA (Biological License Application)/MAA (Marketing Authorization Application) programs per year. The Company has pioneered disposable-bioreactor based state-of-the-art commercial manufacturing facility and built the first 30,000L bioreactor capacity in the world using disposables. Dr. Zhisheng Chen also led the Company to become the first company in China producing biologics for clinical trials in the US and Europe, as well as the first biologics company in China to pass the US FDA (Food and Drug Administration), EMA (European Medicines Agency) and Brazilian ANVISA (Health Regulatory Agency) inspection and have the first GMP (Good Manufacturing Practice) biologics manufacturing facilities in China approved by the US FDA (Food and Drug Administration), EMA (European Medicines Agency) and ANVISA (Agência Nacional de Vigilância Sanitária) for commercial biologics products. The leading globally platform providing end-to-end solutions for biologics developed by the Company is now serving more than 300 companies in China, the US, Europe, Japan, South Korea, and Singapore. In 2020, under Dr. Zhisheng Chen's leadership, there is an increase of 103 integrated projects to the Group's pipeline, adding up to a total of 334 integrated projects. Furthermore, the Company achieved a year-on-year 40.9% increase in revenue and a year-on-year 67.5% increase in net profit in 2020.

**Dr. Weichang Zhou** joined the Group in December 2012 and was appointed as an executive Director, chief technology officer and executive vice president of the Company in May 2016, November 2016 and October 2019, respectively. Since his joining of the Group, he has been focusing on building and leading a world class team of more than 3,000 scientists and engineers with diversified backgrounds. Under his leadership, this team has been providing integrated biologics development and CMC (Chemistry, Manufacturing and Controls) services to support

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## LETTER FROM THE BOARD

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more than 350 biologics programs. Dr. Weichang Zhou has successfully been leading this capable team of scientists and engineers to innovate breakthrough proprietary biologics technology platforms, especially the cell line development platform WuXia, continuous cell culture processing platform WuXiUP, comprehensive Antibody-drug Conjugate (“ADC”) development and manufacturing platforms among many others. These globally recognized technology platforms have solidified the Group’s global leader role in biologics development and manufacturing field and ensured the Group to realize the “Win-the-Molecule” business strategy, as well as supported the tremendous business growth of the Group by generating substantial revenue and profits to the Group. With Dr. Weichang Zhou’s extensive business network and globally recognized leadership in the field, the Company managed to recruit more talents and professional personnel both from the PRC and overseas, which greatly enhanced the technical levels of its development and manufacturing teams. In 2020, Dr. Weichang Zhou continued to take a leading role in the Group’s development in various key technology platforms, including but not limited to, the ADC platforms, and the viral and microbial platforms, which are expected to substantially contribute to the Group’s business growth going forward.

Both Dr. Zhisheng Chen and Dr. Weichang Zhou are the executive Directors who led the Company to achieve various remarkable milestones both before and after its listing in 2017. In 2020, the Company’s revenue grew significantly to RMB5,162 million, with a year-on-year 40.9% increase, including a 75% increase from the Chinese market, and the number of integrated projects reaching 334 compared to 250 in 2019, which depends very much on the contribution of the executive management team who oversee the daily management and operations of the Group. Further, the Company continued its grand capacity expansion plans across the world in 2020 to build and diversify manufacturing capacity in different countries including the US, China and Europe. It is, therefore, important for the Group to retain its executive management team and encourage them to commit in the long term to the Group’s development into the most comprehensive technology platform in the global biologics industry.

Pursuant to the service contracts entered into by the Company with Dr. Zhisheng Chen and Dr. Weichang Zhou, the remuneration package of each of Dr. Zhisheng Chen and Dr. Weichang Zhou comprises a base salary plus a discretionary performance bonus to be determined with reference to their working experience, duties and responsibilities with the Group and the prevailing market situation. The total remuneration of Dr. Zhisheng Chen and Dr. Weichang Zhou for the year of 2020 was RMB31,365,000 and RMB7,077,000, which comprised (i) a basic salary of RMB3,000,000 and RMB1,670,000, respectively; (ii) a discretionary performance bonus of RMB1,500,000 and RMB668,000, respectively; and (iii) a share-based compensation of RMB26,865,000 and RMB4,668,000, respectively. In addition, it is not uncommon for biotech companies in the US, Europe and Hong Kong to adopt share-based compensation (including share award scheme or share option scheme) for their key personnel and employees. Having considered the remuneration packages of the executive management of the biotech companies in the US,

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## LETTER FROM THE BOARD

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Europe and Hong Kong that are comparable with the Company, the Board considers that the remuneration package of the executive Directors are fair and reasonable and in line with general market practice.

The Connected Restricted Shares proposed to be granted to Dr. Zhisheng Chen and Dr. Weichang Zhou comprise of two types: (i) for their past performance for the year of 2020; and (ii) as an one-time grant for their future performance in the next five years.

The basis in determining the grant of the Connected Restricted Shares to Dr. Zhisheng Chen and Dr. Weichang Zhou for their past performance is the same as the previous grant as announced by the Company on March 27, 2020 (the “**Previous Grant**”). Despite that the monetary value of the Connected Restricted Shares proposed to be granted to Dr. Zhisheng Chen and Dr. Weichang Zhou increased by around two times comparing to the Previous Grant, such a rise is substantially due to the significant increase (almost three-fold) of market capitalization of the Company from approximately HK\$130 billion as at the date of the Previous Grant to approximately HK\$371 billion as at the date of the RSU Grant Announcement (i.e. March 24, 2021), thereby proportional to the rapid business growth of the Company.

### *Proposed Grant to the Subsidiary Directors*

With respect to the grant of the Connected Restricted Shares to each of the Subsidiary Directors, namely, Mr. Jian Dong, Mr. Angus Scott Marshall Turner and Mr. Brendan McGrath, it (i) serves as discretionary and promotion bonus in recognition of their valuable and substantial contributions to the Group; and (ii) forms part of their respective remuneration package for their services provided to the Group. Details of the professional expertise, experience, business network and contributions to the Group of the Subsidiary Directors are set out below:

**Mr. Jian Dong** joined the Group in 2014 and has since been named senior vice president and chief executive officer of the Group’s vaccines business. In this role, he oversees the Group’s vaccines business and new facility development. Mr. Jian Dong has over 30 years’ experience in bio-pharmaceutical production and process development and he has brought in his extensive experience in managing the design, construction, qualification and operation of new current GMP (cGMP) biologics manufacturing facilities with 30,000L bioreactor capacities. In 2020, despite the challenges posed by COVID-19 pandemic, Mr. Jian Dong still managed to achieve breathtaking milestones for the Group’s global capacity expansion — the Group’s total planned capacity across the world has reached around 430,000 liters, with new facilities located in global biologics hotspots including the US, China, EU and Singapore. Furthermore, the Group’s vaccines business by WuXi Vaccines Ireland Limited, of which Mr. Jian Dong is the chief executive officer, made significant progress in 2020 by entering into four new contracts that are strategically important to

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## LETTER FROM THE BOARD

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the Group, including a strategic partnership manufacturing agreement with a global vaccine leader for a total contract value estimated to be over US\$3 billion and other COVID-19 vaccine contracts valued over US\$260 million to combat the COVID-19 pandemic.

**Mr. Angus Scott Marshall Turner** joined the Group in 2016 and is the senior vice president of global business development and alliance management of the Company. He is responsible for business development, strategic alliances and partnerships. Mr. Angus Scott Marshall Turner has extensive working experience in international business development in the pharmaceutical and biotechnology industries and has provided invaluable advice in business development strategies. With Mr. Angus Scott Marshall Turner's continuous endeavor, the Group adapted quickly to the new communication strategies and various technologies and platforms during the COVID-19 pandemic. He was also instrumental in partnering with global pharmaceutical companies developing COVID-19 vaccines and neutralizing monoclonal antibody (mAb), which further solidified the Group's role as the world's leading premier supplier and partner in the biologics industry.

**Mr. Brendan McGrath** joined the Group as Ireland site head and vice president of manufacturing in April 2018. He is responsible for the Group's Ireland green field project and will lead the site when the site becomes operational. Mr. Brendan McGrath has extensive working experience in supply chain management, logistics, operational excellence, manufacturing and procurement. As the site head of the Group's Ireland site, Mr. Brendan McGrath managed to complete 85% of the site's construction work despite the outbreak of COVID-19 pandemic.

Each of Mr. Jian Dong (being a director of each of WuXi Biologics Ireland Limited and WuXi Biologics Germany GmbH and the chief executive officer of WuXi Vaccines Ireland Limited), Mr. Angus Scott Marshall Turner (being a director of WuXi Biologics Ireland Limited) and Mr. Brendan McGrath (being a director of each of WuXi Vaccines Ireland Limited and WuXi Biologics Ireland Limited) led the relevant subsidiaries to achieve significant growth and development. These subsidiaries are significant to the Group's strategic development outside China, both present and future. The success of these subsidiaries will lay a solid and strong foundation for the Company's overall development plan to further expand and diversify the Group's manufacturing capacity and provide with its global partners with a quality supply chain network to benefit patients worldwide.

The subsidiaries that the Subsidiary Directors currently working at possess strategic importance to the business of the Group. WuXi Biologics Ireland Limited operates the Group's Ireland site, which is the Group's first overseas site and is well under way with 85% of its construction completed. As supported by the Irish Government, the Ireland site is designed to run both traditional fed-batch and perfusion continuous manufacturing processes. Once completed, this "Factory of the Future" with 54,000L capacity will be one of the world's largest facilities using

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## LETTER FROM THE BOARD

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single-use bioreactors alongside next generation continuous manufacturing process technology, which will further expand the Group's capabilities and capacities of commercial manufacturing and strengthen its global integrated solution platform. By expanding the Group's global biomanufacturing network, it will help to ensure that biologics are manufactured by the Group to the highest quality with a robust supply chain to benefit patients worldwide. WuXi Vaccines Ireland Limited is principally engaged in vaccine CDMO (Contract Development and Manufacturing Organization) business. It is established to seize the emerging opportunities of vaccine CDMO business, which in turn benefit the development of healthcare industry. The Group's vaccines CDMO business made significant progress by signing four new contracts, including a strategic partnership manufacturing agreement with a global vaccine leader for an initial term of twenty years and a total contract value estimated to be over US\$3 billion, and other COVID-19 vaccine contracts valued over US\$260 million to combat against the pandemic. The Group also initiated an investment of US\$240 million in a new integrated vaccine manufacturing facility in Ireland. This new dedicated vaccine manufacturing facility will supply a vaccine product of a large global pharma for the global market. The vaccines business will contribute substantially to the Group's future overall business growth. WuXi Biologics Germany GmbH operates the Group's biologics drug substance and drug product manufacturing plant in Germany, which continuously support the Group in meeting the growing global demand for biological therapeutics including COVID-19 vaccines. As a cornerstone of the Group's European network, the manufacturing plant in Germany can generate great synergy with the Group's existing network to continue to provide high-quality and efficient manufacturing services to enable the Group's global partners to benefit patients worldwide. With the support of these subsidiaries, the Group continues to further expand its biologics and vaccine CDMO business by leveraging its advanced capabilities and capacity and cutting-edge technologies in this fast growing market.

In determining the remuneration package, which comprises a base salary, a discretionary performance bonus and a share-based compensation, of the Subsidiary Directors, the Company follows a well-established pay scale and internal assessment process, which are formulated after taking into account several factors, including but not limited to, (i) the title and rank of an employee for a base salary; (ii) overall performance of the Group; (iii) performance rating and achievement of performance targets by an employee; and (iv) remuneration market data of comparable companies in the respective local market with similar scale in the same industry obtained from various third party channels, including external human resources service providers. In order to effectively motivate the Subsidiary Directors to promote the business development of the above mentioned fast-growing subsidiaries and businesses, the Board has decided to remunerate the Subsidiary Directors with the grant of Connected Restricted Shares after considering their working experience, duties and responsibilities within the Group. The Board believes that the grant of the Connected Restricted Shares, which is high-priced with great growth

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## LETTER FROM THE BOARD

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potential, to the Subsidiary Directors will serve as strong and effective incentive to motivate the Subsidiary Directors, and thus promote an alignment of interests between the Shareholders and the Subsidiary Directors by further enhancing the value of the Company.

The Connected Restricted Shares proposed to be granted to Mr. Jian Dong comprise of two types: (i) for his past performance for the years of 2019 and 2020; and (ii) as an one-time grant for his future performance in the next five years, while those proposed to be granted to Mr. Angus Scott Marshall Turner comprise of three types: (i) for his past performance for the years of 2019 and 2020; (ii) as an one-time grant for his future performance in the next five years; and (iii) for his promotion as the Senior Vice President of the Company in 2020, and those proposed to be granted to Mr. Brendan McGrath comprise of two types: (i) for his past performance for the years of 2019 and 2020; and (ii) as an one-time adjustment grant based on his title and rank.

In determining the number of the Connected Restricted Shares to be granted to each of the Connected Grantees, the Board has considered, various factors including but not limited to, (i) the historical contributions and job responsibilities of the Connected Grantees; (ii) the continuing contribution to the Group's future development of the Connected Grantees; (iii) whether the grant is a fair representation of the Connected Grantees' respective historical contributions to the Group with reference to their respective job responsibilities; and (iv) whether the grant is a sufficient motivation for continuing contribution in the Group. In addition, it is not uncommon for biotech companies in the US, Europe and Hong Kong to adopt share-based compensation (including share award scheme or share option scheme) for their key personnel and employees. Having considered the remuneration packages of the executive management of the biotech companies in the US, Europe and Hong Kong that are comparable with the Company, the Board considers that the remuneration package of the Subsidiary Directors are fair and reasonable and in line with general market practice.

### ***Proposed Grant to Mr. William Robert Keller, Mr. Teh-Ming Walter Kwauk and Mr. Kenneth Walton Hitchner III***

With respect to the grant of the Connected Restricted Shares to each of the independent non-executive Directors, namely, Mr. William Robert Keller, Mr. Teh-Ming Walter Kwauk and Mr. Kenneth Walton Hitchner III, it serves as part of their remuneration package for the services provided by them to the Company. Pursuant to the service contracts entered into by the Company, each of Mr. William Robert Keller, Mr. Teh-Ming Walter Kwauk and Mr. Kenneth Walton Hitchner III is entitled to an annual salary of HK\$450,000. Under the service contract, the Director may, at his discretion, requests his salary or any part of it to be satisfied by Shares in lieu of cash payment to him. At their requests, Mr. Teh-Ming Walter Kwauk and Mr. Kenneth Walton Hitchner III will be granted the Connected Restricted Shares representing the value equivalent to the full amount of



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## LETTER FROM THE BOARD

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the annual salary for the year of 2021; and Mr. William Robert Keller will be granted the Connected Restricted Shares representing the value equivalent to half of the amount of the annual salary for the year of 2021 with the remaining balance being settled in cash.

The number of the Connected Restricted Shares to be granted to each of the above Directors and Subsidiary Directors is determined based on the average closing price of the Shares for the five consecutive trading days immediately preceding the date of their respective grant (i.e. March 24, 2021), as quoted on the Stock Exchange, being HK\$91.20 per Share.

### LISTING RULES IMPLICATIONS

As the Connected Grantees, being the Directors and the Subsidiary Directors, are connected persons of the Company pursuant to Rule 14A.07 of the Listing Rules. Therefore, the proposed issue and allotment of the Connected Restricted Shares to the Connected Grantees under the Scheme shall constitute a connected transaction for the Company under Chapter 14A of the Listing Rules and shall be subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Each of Dr. Zhisheng Chen, Dr. Weichang Zhou, Mr. William Robert Keller, Mr. Teh-Ming Walter Kwauk and Mr. Kenneth Walton Hitchner III has abstained from approving the relevant Board resolutions on the issue and allotment of the Connected Restricted Shares to them under the Scheme. Save as disclosed above, none of the other Directors had any interest in the Connected Restricted Shares and therefore, no other Director abstained from voting on the relevant Board resolutions in respect of the proposed issue and allotment of the Connected Restricted Shares to the Connected Grantees. To the best of the knowledge, information and belief of the Directors, save for the Connected Grantees and their respective associates, no other Shareholder is required to abstain from voting on the resolutions to approve the issue and allotment of the Connected Restricted Shares to the Connected Grantees, the Specific Mandate and the transactions contemplated thereunder at the Annual General Meeting.

As all the independent non-executive Directors (i.e. Mr. William Robert Keller, Mr. Teh-Ming Walter Kwauk and Mr. Kenneth Walton Hitchner III) being the members of the Connected Grantees are regarded as having material interests, at the time of the Grant, in the proposed grant as well as the proposed issue and allotment of the Connected Restricted Shares to the Connected Grantees, the Specific Mandate and the transactions contemplated thereunder, no independent board committee has been established. The Independent Financial Advisor has been appointed by the Company and will advise the Independent Shareholders in respect of the issue and allotment of the Connected Restricted Shares to the Connected Grantees, the Specific Mandate and the transactions contemplated thereunder. A letter from Opus Capital to the Independent Shareholders is set out on pages 27 to 53 of this circular.

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## LETTER FROM THE BOARD

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### **5. PROPOSED GRANT OF GENERAL MANDATE TO ISSUE SHARES**

The general mandate previously granted to the Directors to issue Shares at the 2020 AGM will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Share Issue Mandate to the Directors to issue, allot or deal with unissued Shares of not exceeding 10% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of the Annual General Meeting (i.e. not exceeding a total of 421,844,117 Shares as at the Latest Practicable Date on the basis that no further Shares are issued or repurchased before the Annual General Meeting), such Shares to be issued for cash consideration at a discount of not more than 10% to the “Benchmarked Price” (as described in Rule 13.36(5) of the Listing Rules and defined in the proposed ordinary resolution contained in item 6) of the Shares (save for the Restricted Shares to be issued and granted under the Scheme). An ordinary resolution to extend the Share Issue Mandate by adding the number of Shares to be repurchased by the Company pursuant to the Share Repurchase Mandate will also be proposed at the Annual General Meeting.

The Board is recommending the granting of the Share Issue Mandate for a maximum of 10% of the total number of issued Shares of the Company as at the date of the passing of the proposed ordinary resolution, and the Shares issued for cash consideration under the Share Issue Mandate will be subject to a maximum discount of 10% to the Benchmarked Price of the Shares, as opposed to the maximum limit of 20% of the total number of issued Shares of the Company and the maximum discount of 20% to the Benchmarked Price of the Shares permitted under the Listing Rules.

The Directors do not have any immediate plan to issue any new Shares pursuant to the Share Issue Mandate.

### **6. PROPOSED GRANT OF GENERAL MANDATE TO REPURCHASE SHARES**

The general mandate previously granted to the Directors to repurchase Shares at the annual general meeting of the Company held on June 9, 2020 will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Share Repurchase Mandate to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 7 of the notice of the Annual General Meeting (i.e. not exceeding a total of 421,844,117 Shares as at the Latest Practicable Date on the basis that no further Shares are issued or repurchased before the Annual General Meeting).

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## LETTER FROM THE BOARD

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The Directors do not have any immediate plan to repurchase any Shares pursuant to the Share Repurchase Mandate. Pursuant to Rule 10.06(5) of the Listing Rules, the listing of all Shares which are repurchased by the Company (whether on exchange or otherwise) shall be automatically cancelled upon repurchase.

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to propose the granting of the Share Repurchase Mandate is set out in Appendix III to this circular.

### **7. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT**

The notice of the Annual General Meeting is set out on pages 71 to 77 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 Annual General Meeting in the manner prescribed under the Listing Rules.

A form of proxy for use at the Annual General Meeting 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](http://www.hkexnews.hk)) and the Company ([www.wuxibiologics.com](http://www.wuxibiologics.com)). To be valid, the form of proxy must be completed and signed in accordance with the instructions stated 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 Annual General Meeting (i.e. not later than 3:00 p.m. on Monday, June 14, 2021, Hong Kong time) or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish. In such event, the form of proxy shall be deemed to be revoked.

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## LETTER FROM THE BOARD

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### 8. RECOMMENDATION

The Directors consider that the proposed re-election of certain retiring Directors, the proposed election of new Director, the proposed issue and allotment of the Connected Restricted Shares to the Connected Grantees pursuant to the Specific Mandate, and the proposed grant of the Share Issue Mandate and the Share Repurchase Mandate are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

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

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## LETTER FROM OPUS CAPITAL

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*Set out below is the text of a letter received from Opus Capital, the Independent Financial Advisor to the Independent Shareholders in respect of the proposed issue and allotment of the Connected Restricted Shares to the Connected Grantees, the Specific Mandate and transactions contemplated thereunder, for the purpose of inclusion in this circular.*



18th Floor, Fung House  
19-20 Connaught Road Central  
Central, Hong Kong

May 17, 2021

*Attention: the Independent Shareholders of WuXi Biologics (Cayman) Inc.*

Dear Sir or Madam,

### **CONNECTED TRANSACTION INVOLVING GRANT OF RESTRICTED SHARES TO CONNECTED PERSONS PURSUANT TO SPECIFIC MANDATE**

#### **INTRODUCTION**

We, Opus Capital, refer to our appointment as the Independent Financial Advisor to advise the Independent Shareholders in respect of the proposed issue and allotment of the Connected Restricted Shares to the Connected Grantees (the “**Connected Restricted Shares Grant**”), the Specific Mandate and transactions contemplated thereunder, details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular of the Company dated May 17, 2021 (the “**Circular**”), of which this letter forms part. Capitalized terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

On March 24, 2021 (the “**Grant Date**”), the Board has approved, subject to acceptance of the Grantees and other conditions as may be determined by the Board, the grant of 6,229,361 Restricted Shares in aggregate to the Grantees, of which (i) 4,736,220 Restricted Shares are granted to 1,617 employees of the Company (who are not connected persons of the Company) and shall be satisfied by the issue and allotment of new Shares to the Trustee pursuant to the 2020 General Mandate and in accordance with the terms of the Rules; and (ii) 1,493,141 Restricted Shares are proposed to be granted to the Connected Grantees and shall be satisfied by the issue and allotment of new Shares to the Trustee pursuant to the Specific Mandate and in accordance with the terms of the Rules.

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## LETTER FROM OPUS CAPITAL

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The Connected Grantees, being the Directors and the Subsidiary Directors, are connected persons of the Company pursuant to Rule 14A.07 of the Listing Rules. Therefore, the Connected Restricted Shares Grant shall constitute a connected transaction for the Company under Chapter 14A of the Listing Rules and shall be subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Annual General Meeting will be convened and held to consider, and if thought fit, approve, among other things, the Connected Restricted Shares Grant, the Specific Mandate and the transactions contemplated thereunder.

Each of Dr. Zhisheng Chen, Dr. Weichang Zhou, Mr. William Robert Keller, Mr. Teh-Ming Walter Kwauk and Mr. Kenneth Walton Hitchner III has abstained from approving the relevant Board resolutions on the issue and allotment of the Connected Restricted Shares to them under the Scheme. Save as disclosed above, none of the Directors had any interest in the Connected Restricted Shares and therefore, no other Directors abstained from voting on the relevant Board resolutions in respect of the Connected Restricted Shares Grant. To the best of the knowledge, information and belief of the Directors, save for the Connected Grantees and their respective associates, no other Shareholder is required to abstain from voting on the resolutions to approve, the Connected Restricted Shares Grant, the Specific Mandate and the transactions contemplated thereunder at the Annual General Meeting.

### THE APPOINTMENT

As all the independent non-executive Directors are the members of the Connected Grantees, who are regarded as having material interests, at the time of the Grant, in the proposed grant as well as the Connected Restricted Shares Grant, the Specific Mandate and the transactions contemplated thereunder, no independent board committee has been established.

We have been appointed by the Company to advise the Independent Shareholders as to whether: (i) the terms of the Connected Restricted Shares Grant, the Specific Mandate and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole; (ii) the Connected Restricted Shares Grant, the Specific Mandate and the transactions contemplated thereunder is conducted in the ordinary and usual course of business of the Group; and (iii) the Independent Shareholders should vote in favour of the relevant resolutions to be proposed at the Annual General Meeting to approve the Connected Restricted Shares Grant, the Specific Mandate and the transactions contemplated thereunder.

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## LETTER FROM OPUS CAPITAL

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### OUR INDEPENDENCE

We were appointed as the independent financial advisor to advise the independent shareholders of the Company in respect of the connected transaction involving grant of restricted shares to connected grantees. Details of such transaction and our independent advisory letter are set out in the circular of the Company dated May 11, 2020 (the “**Past Appointment**”). The Past Appointment is similar to this current appointment.

As at the Latest Practicable Date, save for the aforementioned, we did not have any relationship with, or interest in, the Group, the Connected Grantees or other parties that could reasonably be regarded as relevant to our independence. During the two years immediately prior to this letter, save for the aforementioned, we have not acted as an independent financial advisor to the Company. Apart from the normal professional fees paid or payable to us in connection with the Past Appointment and the current appointment as the Independent Financial Advisor, no arrangements exist whereby we had received or will receive any fees or benefits from the Group, the Connected Grantees or any other parties that could reasonably be regarded as relevant to our independence. Accordingly, we consider that we are independent pursuant to Rule 13.84 of the Listing Rules.

### BASIS OF OUR OPINION

In formulating our advice and recommendation to the Independent Shareholders, we have reviewed, amongst other things:

- (i) the Company’s annual report for the year ended December 31 (“**FY**”), 2020 (the “**2020 Annual Report**”);
- (ii) the Scheme;
- (iii) the RSU Grant Announcement; and
- (iv) other information as set out in the Circular.

We have relied on the truth, accuracy and completeness of the statements, information, opinions and representations contained or referred to in the Circular and the information and representations made to us by the Company, the Directors and the management of the Company (collectively, the “**Management**”). We have assumed that all information and representations contained or referred to in the Circular and provided to us by the Management, for which they are solely and wholly responsible, are true, accurate and complete in all respects and not misleading or deceptive at the time when they were provided or made and will continue to be so up to the Latest

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## LETTER FROM OPUS CAPITAL

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Practicable Date. The Shareholders will be notified of material changes as soon as possible, if any, to the information and representations provided and made to us after the Latest Practicable Date and up to and including the date of the Annual General Meeting.

We have also assumed that all statements of belief, opinion, expectation and intention made by the Management in the Circular were reasonably made after due enquiries and careful consideration and there are no other facts not contained in the Circular, the omission of which make any such statement contained in the Circular misleading. We have no reason to suspect that any relevant information has been withheld, or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Management, which have been provided to us.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. However, we have not carried out any independent verification of the information provided by the Management, nor have we conducted any independent in-depth investigation into the business, financial conditions and affairs of the Group or its future prospects. Where information in this letter has been extracted from published or otherwise publicly available sources, it is our responsibility to ensure that such information has been correctly extracted from the relevant sources while we are not obligated to conduct any independent in-depth investigation into the accuracy and completeness of those information.

The Directors jointly and severally accept full responsibility for the accuracy of the information disclosed and confirm, having made all reasonable enquiries that to the best of their knowledge and belief, there are no other facts not contained in this letter, the omission of which would make any statement herein misleading.

This letter is issued to the Independent Shareholders solely in connection for their consideration of the Connected Restricted Shares Grant, the Specific Mandate and transactions contemplated thereunder and except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purpose without our prior written consent. Our opinion is based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date.



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## LETTER FROM OPUS CAPITAL

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### PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the terms of the Connected Restricted Shares Grant, the Specific Mandate and transactions contemplated thereunder, we have taken into consideration the following principal factors and reasons:

#### 1. Information of the Group

The Group is principally engaged in the provision of end-to-end solutions and services for biologics discovery, development and manufacturing to customers involving in biologics industry. The Shares were listed on the Main Board of the Stock Exchange on June 13, 2017.

Set out below is a summary of the key audited consolidated financial information of the Group for the five years ended December 31, 2020 as extracted from the 2020 Annual Report:

**Table 1: Highlights of the financial results of the Group**

	<b>FY2020</b>	<b>FY2019</b>	<b>FY2018</b>	<b>FY2017</b>	<b>FY2016</b>
	<i>(RMB'M)</i>	<i>(RMB'M)</i>	<i>(RMB'M)</i>	<i>(RMB'M)</i>	<i>(RMB'M)</i>
Revenue	5,612.4	3,983.7	2,534.5	1,618.8	989.0
Gross profit	2,533.0	1,658.8	1,017.8	660.6	389.1
Net profit	1,692.7	1,010.3	630.5	252.6	141.1

*Source: the 2020 Annual Report*

As depicted from the above table, the Group's revenue, gross profit and net profit have been growing significantly from FY2016 to FY2020. The Group's revenue, gross profit and net profit for FY2020 were approximately 6 times, 7 times and 12 times respectively of those for FY2016. The growth rates of the Group's revenue, gross profit and profit for FY2020 as compared to FY2019 (i.e. approximately 40.9%, 52.7% and 67.5% respectively) were also significant.

According to the 2020 Annual Report, during FY2020, the total revenue of the Group increased by approximately 40.9% from approximately RMB3,983.7 million for FY2019 to approximately RMB5,612.4 million, together with an approximately 52.7% year-on-year growth in gross profit to RMB2,533.0 million. Such an increase was mainly attributable to: (i) leading technology platform, best-in-industry timeline and excellent execution track record contributing to significantly higher market share and new integrated projects; (ii) successful launch of "Win-the-Molecule" strategy adding considerable late-stage pipeline and near-term revenue; (iii) acceleration and efficient execution of more COVID-19 projects to support and enable the Group's

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global customers in the second half of 2020; and (iv) strong growth of milestone revenue generated from the Group's various technology platforms. The Group's total backlog, including the service backlog and upcoming potential milestone fees backlog, also soared sharply by approximately 122.0% from US\$5,102.0 million as of December 31, 2019 to US\$11,324.0 million as of December 31, 2020, of which service backlog increased by 293.2% from US\$1,686.0 million to US\$6,629.0 million and upcoming potential milestone fees increased by approximately 37.4% from US\$3,416.0 million to US\$4,695.0 million. The service backlog represents the amount the Group has contracted but is yet to perform, which can be seen as a future performance indicator.

The increase in the gross profit margin from approximately 41.6% for FY2019 to approximately 45.1% for FY2020 was primarily attributable to: (i) the Group's robust increase in the number of integrated projects; (ii) significant improvement in capacity utilization of the Group's existing manufacturing facility which enabled delivery of more production batches; (iii) continuous operational efficiency enhancement in development business which minimized leading time and enabled delivery of more pre-investigational new drug projects under severe time stress; (iv) strong growth of milestone revenue with higher gross margin generated from projects progressed along the value chain and more out-license new projects; and (v) partially offset by ramp-up of new facilities.

As a result of the foregoing, the net profit of the Group increased by approximately 67.5% from approximately RMB1,010.3 million for FY2019 to approximately RMB1,692.7 million for FY2020. As set out in the 2020 Annual Report, during FY2020, the Group further diversified its customer base by working with 14 out of the 20 largest pharmaceutical companies in the world and 32 out of the 50 largest pharmaceutical companies in China. The Group provided services to 369 customers for FY2020, compared with 266 customers in the previous year. The top ten customers' revenue grew by approximately 17.7% from approximately RMB1,976.3 million for FY2019 to approximately RMB2,326.9 million for FY2020.

## **2. Information on the Connected Grantees**

The Connected Restricted Shares Grant has been approved by the Board on the Grant Date, subject to the acceptance of the Connected Grantees and other conditions as may be determined by the Board, including the Independent Shareholders' approval at the Annual General Meeting. The vesting period for the Connected Restricted Shares to be granted to Dr. Zhisheng Chen, Dr. Weichang Zhou, Mr. Jian Dong, Mr. Angus Scott Marshall Turner and Mr. Brendan McGrath is five years while the vesting period for the Connected Restricted Shares to be granted to Mr. William Robert Keller, Mr. Teh-Ming Walter Kwauk and Mr. Kenneth Walton Hitchner III is one year. The Board determined that the Connected Grantees and the number of Restricted Shares granted to them with reference to, among other things, their respective roles, responsibilities, years

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of services, work experience, contributions, remuneration packages and prevailing compensation of similar positions in the market. The table below lists the details of the eight Connected Grantees and the number of Restricted Shares granted to each to them.

**Table 2: The Connected Grantees and the number of the Connected Restricted Shares granted**

Name	Position	Number of the Connected Restricted Shares granted	Vesting period (years)
<b>Directors</b>			
Dr. Zhisheng Chen	Executive Director & chief executive officer of the Company	945,200	5
Dr. Weichang Zhou	Executive Director & chief technology officer of the Company	263,679	5
Mr. William Robert Keller	Independent non-executive Director	2,467	1
Mr. Teh-Ming Walter Kwauk	Independent non-executive Director	4,934	1
Mr. Kenneth Walton Hitchner III	Independent non-executive Director	4,934	1
<b>Subsidiary Directors</b>			
Mr. Jian Dong	Director of WuXi Biologics Ireland Limited and WuXi Biologics Germany GmbH and chief executive officer of WuXi Vaccines Ireland Limited	156,202	5
Mr. Angus Scott Marshall Turner	Director of WuXi Biologics Ireland Limited	98,305	5
Mr. Brendan McGrath	Director of WuXi Biologics Ireland Limited and WuXi Vaccines Ireland Limited	17,420	5

*Source: the Letter from the Board*

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Further details of the positions, roles, responsibilities and years of services of the Connected Grantees are set out in the paragraph headed “4. Connected transaction involving grant of Restricted Shares to connected persons pursuant to Specific Mandate — Reasons for and benefits of the grant of the Connected Restricted Shares to the Connected Grantees” in the Letter from the Board. The executive Directors, namely Dr. Zhisheng Chen and Dr. Weichang Zhou, have been indispensable to the growth of the Group. In particular, Dr. Zhisheng Chen and Dr. Weichang Zhou, working in their senior capacity as the executive Directors, have led the Company to achieve various remarkable milestones both before and after the Company’s listing on the Stock Exchange in 2017. Under their vision and leadership, the Group has achieved significant growth over the years as evidenced through the historical financial performance of the Group set out in the section headed “1. Information of the Group” above.

Each of Mr. Jian Dong (being a director of WuXi Biologics Ireland Limited and WuXi Biologics Germany GmbH and the chief executive officer of WuXi Vaccines Ireland Limited), Mr. Angus Scott Marshall Turner (being a director of WuXi Biologics Ireland Limited) and Mr. Brendan McGrath (being a director of WuXi Biologics Ireland Limited and WuXi Vaccines Ireland Limited) led the relevant key subsidiaries of the Group to achieve significant growth and development.

With Mr. William Robert Keller and Mr. Teh-Ming Walter Kwauk joined the Company as independent non-executive Directors in 2017 and Mr. Kenneth Walton Hitchner III joined the Company as an independent non-executive Director in 2020, the Group has continued to maintain its strong growth momentum to this day.

### **3. Reasons for and benefits of the Connected Restricted Shares Grant**

With reference to the Letter from the Board, the Scheme forms part of the incentive schemes of the Group. The Board considers that the Connected Restricted Shares Grant is to (i) recognize and reward the contributions made by the Connected Grantees; (ii) encourage, motivate and retain the Connected Grantees, whose contributions are beneficial to the continual operation, development and long-term growth of the Group; and (iii) provide additional incentive for the Connected Grantees to achieve performance goals, with a view to achieving the objectives of increasing the value of the Group and aligning the interests of the Connected Grantees to the Shareholders through ownership of Shares. The grant recognizes their past contributions to the Group’s business performance and aims to secure their long term support and commitment to the Group which are vital to the future development of the Group. As the Group’s business is undergoing rapid expansion, the Company believes that the Connected Restricted Shares Grant serves as an important incentive to motivate them to bring a higher return to the Company.

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As set out in the Letter from the Board, the Board is of the view that the Connected Restricted Shares Grant is in line with the Company's remuneration policy, which includes base salary, discretionary bonus and other benefits such as the Scheme and share options. Such grant aligns the interests of the Connected Grantees directly with the interests of the Shareholders through ownership of the Shares and helps to further encourage them to devote their efforts to the Group's development. The number of the Connected Restricted Shares being granted to each Connected Grantee is being derived at based on the commercial assessment of the Board having taken into account a number of factors, including, without limitation, the roles and responsibilities, seniority, the specific expertise and relevant experiences, such as expertise in biotech and pharmaceutical industry, marketing and business strategies, financial management and human resources management, and their historical and expected contributions to the Group.

Against this background, we note that this is not the first time the Company conducts the grant of Restricted Shares to its connected grantees. For the last two financial years, respectively on March 19, 2019 and on March 27, 2020, the Company granted restricted shares to its then connected grantees. The make-up of the connected grantees under these two grants was largely similar to this year's Connected Restricted Shares Grant, with the only difference being the inclusion of the three Subsidiary Directors this year. The Connected Restricted Shares Grant of this year, as advised by the Management, is mainly of a recurrent nature.

Other key features of the Grant (including the Connected Restricted Shares Grant) include, among other, unlike giving a cash bonus, there will not be any actual cash outflow by the Group as it will be satisfied by the issue and allotment of new Restricted Shares.

Also, unlike granting share options with a pre-determined exercise price which the future prices of the Shares may or may not be above such pre-determined exercise price, the Grant provides the Grantees with certainty of monetary benefits regardless of the share price performance. Such Grant that can be realized and is readily available at the end of each vesting period is akin to payment of a deferred bonus by batches and hence an effective incentive. Furthermore, the Grant do not call for the Grantees to exercise the share options which would require financial outlay from the Grantees.

We are of the view that the Connected Restricted Shares Grant will provide the Connected Grantees, being the Directors and the Subsidiary Directors, who are responsible for the overall corporate governance, strategic directions of the Group and important strategic initiatives of the key subsidiaries of the Company (as the case maybe), with a reward for their past contributions and to incentivize their future contributions.

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Upon our enquiry, the Management advised us that its remuneration package of employees generally includes salary and bonus elements. In general, the Group determines the remuneration package based on the qualifications, position and performance of its employees. The Group also makes contributions to social insurance fund, including basic pension insurance, medical insurance, unemployment insurance, childbirth insurance, work-related injury insurance funds, and housing reserve fund as applicable to the countries where the Group operates. The Group also adopted the Scheme and the pre-IPO share option scheme to provide incentive or reward to eligible participants for their contribution or potential contribution to the Group.

Based on the above, we concur with the Company's view that the Connected Restricted Shares Grant under the Scheme is in line with the remuneration policy of the Group.

Taking into account that: (i) the purposes and characteristics of the Scheme as mentioned above; (ii) our assessment of the terms of the Connected Restricted Shares Grant as discussed in the section headed "4. Principal terms and conditions of the Connected Restricted Shares Grant" below; (iii) our assessment of the current remuneration of the Connected Grantees as set out in section headed "5. Connected Grantees' current remuneration" below; (iv) there will not be any actual cash outflow by the Group under the Grant; and (v) the recurrent nature of the Connected Restricted Shares Grant, we concur with the Board that the Connected Restricted Shares Grant is fair and reasonable and in the interests of the Company and its Shareholders as a whole. Also, in view of the recurrent nature of the Connected Restricted Shares Grant, we are of the view that the Connected Restricted Shares Grant is conducted in the ordinary and usual course of business of the Group.

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### 4. Principal terms and conditions of the Connected Restricted Shares Grant

Principal terms and conditions of the Connected Restricted Shares Grant are set out below:

Market price of the Shares:	The aggregate nominal value of the new Restricted Shares (including the Connected Restricted Shares) is approximately US\$51.91. As at the Grant Date, the closing price of the Shares as quoted on the Stock Exchange is HK\$87.95 per Share. The average closing price of the Shares for the five consecutive trading days immediately preceding the Grant Date as quoted on the Stock Exchange is HK\$91.20 per Share.
Size of the Connected Restricted Shares relative to the issued Shares	The aggregate of 1,493,141 new Connected Restricted Shares to be issued and allotted by the Company, represent (i) approximately 0.04% of the total issue Shares as at the Latest Practicable Date; and (ii) approximately 0.04% of the total number of Shares in issue as enlarged by the issue and allotment of the new Connected Restricted Shares (assuming there is no change in the issued share capital of the Company from the Latest Practicable Date up to the allotment date of the new Shares, other than the issue and allotment of the new Connected Restricted Shares).
Market value of the Connected Restricted Shares Grant:	Based on the closing price of HK\$87.95 per Share as quoted on the Stock Exchange as at the Grant Date, the market value of the 1,493,141 new Restricted Shares to be issued and allotted to the Connected Grantees is HK\$131,321,750.95. Based on the closing price of HK\$106.60 per Share as quoted on the Stock Exchange as at the Latest Practicable Date, the market value of the 1,493,141 new Restricted Shares to be issued and allotted to the Connected Grantees is HK\$159,168,830.60.
Funds to be raised:	The Connected Grantees are not required to pay any consideration for the Connected Restricted Shares Grant. No fund will be raised by the Company as a result of the issue and allotment of the new Connected Restricted Shares.

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Identity of the allottee(s):	Upon the issue and allotment of the new Connected Restricted Shares, the Trustee will hold the new Shares on trust for the Connected Grantees.
Vesting conditions:	The Connected Restricted Shares shall be transferred to the Connected Grantees at nil consideration until the end of each vesting period which may differ among the Connected Grantees and upon satisfaction of the relevant vesting conditions as may be specified by the Board at the time of making the Connected Restricted Shares Grant including, but not limited to, the Connected Grantees shall remain as directors or employees of the Group until the end of their respective vesting periods.
Conditions to the Connected Restricted Shares Grant	The Connected Restricted Shares Grant shall be subject to (i) the approval by the Independent Shareholders at the Annual General Meeting in respect of the Connected Restricted Shares Grant, the Specific Mandate and the transactions contemplated thereunder; and (ii) the Listing Committee of the Stock Exchange having granted the approval for the listing of, and permission to deal in the new Connected Restricted Shares.
Application for listing	Application will be made by the Company to the Listing Committee of the Stock Exchange for the granting of the listing of, and permission to deal in, the aggregate of 1,493,141 new Connected Restricted Shares.

### **Our assessment**

To assess the fairness and reasonableness of the terms of the Connected Restricted Shares Grant (including, but not limited to, the relevant remuneration package, vesting periods and vesting conditions), we have, on a best effort basis, conducted a research on all grants of award shares/restricted shares to connected persons (the “**Comparable Grants**”) with the following selection criteria:

- (i) the relevant companies were listed on the Main Board of the Stock Exchange as at the Grant Date which belong to the “Health Care” sector of the Bloomberg Industry Classification System;



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- (ii) the relevant announcements were published within one year before the Grant Date; and
- (iii) the relevant companies had market capitalization of over HK\$20 billion as at the Grant Date.

Based on the above selection criteria, we have identified five Comparable Grants as set out below.

**Table 3: Comparable Grants**

Date of announcement	Company name	Stock code	Market capitalization as at the Grant Date (HK\$'M)	Grant date	Value of total connected grant shares as at the respective grant date (HK\$'M)	Market capitalization as at the respective grant date (HK\$'M)	Vesting period (years)	Value of total connected grant shares over market capitalization as at the respective date (%)
December 28, 2020	Genscript Biotech Corporation	1548	27,123.1	December 28, 2020	6.8	22,732.9	Not disclosed	0.03%
November 16, 2020	Shanghai Junshi Biosciences Co., Ltd.	1877	81,366.0	November 16, 2020	399.6 <sup>(Note 1)</sup>	64,017.5	1.0-4.0	0.62%
April 15, 2020	Innovent Biologics, Inc.	1801	102,765.4	April 15, 2020	60.5	45,575.9	0.7-4.0	0.13%
March 27, 2020	The Company	2269	370,282.6	March 27, 2020	52.2	129,760.2	1.0-5.0	0.04%
						<b>Maximum</b>	<b>5.0</b>	0.62%
						<b>Minimum</b>	<b>0.7</b>	0.03%
						<b>Average</b>	<b>N/A</b>	0.21%
March 24, 2021	The Company	2269	370,282.6	March 24, 2021	131.3	370,282.6	1.0-5.0 <sup>(Note 2)</sup>	0.04%

Sources: the website of the Stock Exchange, the Letter from the Board and Bloomberg

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*Notes:*

1. The grant price for the relevant Comparable Grant was fixed at RMB55.5 per grant share.
2. Vesting periods for the Connected Grantees range from 1 to 5 years. For details, please refer to Table 2 above.

We noted from the table above that it is not uncommon for large size biotechnology companies listed on the Main Board of the Stock Exchange which belong to the “Health Care” sector of the Bloomberg Industry Classification System to adopt restricted share award schemes and grant restricted award shares to their key personnel and employees. Accordingly, we consider that the grant of the Connected Restricted Shares under the Scheme to be generally in line with market practices.

As illustrated in the table above, the value of total grant shares to connected persons over market capitalization as at the respective grant date of the Comparable Grants ranged from approximately 0.03% to approximately 0.62% with an average of approximately 0.21%. We note that the value of the total Connected Restricted Shares represented approximately 0.04% of the Company’s market capitalization as at the Grant Date, which was within the range and was significantly below the average of the Comparable Grants of approximately 0.21%.

As illustrated in the table above, the vesting periods of the Comparable Grants ranged from approximately 0.7 to 5.0 years. Under the Connected Restricted Shares Grant, the relevant Connected Restricted Shares shall be transferred to the Connected Grantees until the end of each vesting period (ranging from one to five years), subject to the satisfaction of the relevant vesting conditions as may be specified by the Board at the time of making the Connected Restricted Shares Grant including, but not limited to, the Connected Grantees shall remain as directors or employees of the Group until the end of their respective vesting periods. Accordingly, the vesting periods of the Connected Restricted Shares fall within the range of the Comparable Grants which spanning across 0.7 to 5.0 years. Based on our review of the Comparable Grants and the Connected Restricted Shares Grant, we understand neither the Comparable Grants nor the Connected Restricted Shares Grant carry any performance-related vesting conditions as at the Latest Practicable Date. Based on the above, we consider that the vesting periods and conditions to be generally in line with market practices.

Specifically, having considered the executive positions held by Dr. Zhisheng Chen, Dr. Weichang Zhou, Mr. Jian Dong, Mr. Angus Scott Marshall Turner and Mr. Brendan McGrath in the Group, who are the executive Directors and the Subsidiary Directors, we consider that the five years’ vesting period can appropriately retain and incentivize them to contribute to the long-term development of the Group. On the other hand, having considered that the number of the Connected Restricted Shares to be granted to Mr. William Robert Keller, Mr. Teh-Ming Walter Kwauk and

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Mr. Kenneth Walton Hitchner III, who are the independent non-executive Directors, is relatively small and such grant is relating to their annual salary for FY2021, we consider that a vesting period of one year is appropriate.

As part of our due diligence, we have obtained and reviewed the Rules from the Company and noted that the terms of the Connected Restricted Shares Grant complied with the Rules, in particular the scheme limit. The total number of 1,493,141 Connected Restricted Shares proposed to be granted to the Connected Grantees, together with other Restricted Shares granted under the Scheme is within the limit of 3% (i.e. 104,859,097 Shares, after taking into account the share subdivision which took effect on November 16, 2020) of the issued share capital of the Company as at the adoption date of the Scheme (i.e. January 15, 2018).

### 5. Connected Grantees' current remuneration

Set out below is a breakdown of the total remuneration packages of the Connected Grantees for FY2020 provided by the Company:

**Table 4: The total remuneration packages of the Connected Grantees for FY2020**

Name	Salaries, contributions, and other benefits <i>(RMB'000)</i>	Performance- based or discretionary bonus <i>(RMB'000)</i>	Share-based payment expenses <i>(RMB'000)</i>	Total remuneration <i>(RMB'000)</i>
Dr. Zhisheng Chen	3,000.0	1,500.0	26,864.6	<b>31,364.6</b>
Dr. Weichang Zhou	1,740.3	667.9	4,668.3	<b>7,076.5</b>
Mr. William Robert Keller	200.4	—	204.4	<b>404.8</b>
Mr. Teh-Ming Walter Kwauk	197.9	—	268.0	<b>465.9</b>
Mr. Kenneth Walton Hitchner III	202.8	—	—	<b>202.8</b>
Mr. Jian Dong	1,400.5	556.2	1,529.6	<b>3,486.3</b>
Mr. Angus Scott Marshall Turner	2,139.2	482.3	427.2	<b>3,048.7</b>
Mr. Brendan McGrath	2,045.8	415.8	1,145.0	<b>3,606.6</b>

*Source: the 2020 Annual Report and the Management*

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### Our assessment

To assess the fairness and reasonableness of the Connected Restricted Shares Grant, we have, on a best effort basis, conducted a search of all relevant comparable companies (the “**Comparable Companies**”) with the following selection criteria:

- (i) the relevant companies were listed on the Main Board of the Stock Exchange as at the Grant Date which belong to the “Health Care” sector of the Bloomberg Industry Classification System; and
- (ii) the relevant companies had market capitalization of over HK\$100 billion as at the Grant Date.

Based on the above selection criteria, we have identified five Comparable Companies. We further conducted a search on the total remuneration packages of chief executive officers (“**CEOs**”), executive directors (“**EDs**”) and independent non-executive directors (“**INEDs**”) of the Comparable Companies in their respective latest financial years.

### CEOs and EDs’ total remuneration package comparison

Set out below is a summary of remuneration packages of the CEOs and EDs of the Comparable Companies:

**Table 5: CEOs and EDs’ remuneration packages of the Comparable Companies**

Name of CEOs and/or EDs <sup>(Note 1)</sup>	Company name (stock code) <sup>(Note 4)</sup>	Salaries, Performance- contributions, and other benefits (RMB’M)	Performance- based or discretionary bonus (RMB’M)	Share-based payment expenses (RMB’M)	Total (RMB’M)
Ms. Zhong Huijuan (CEO and ED)	Hansoh Pharmaceutical Group Company Ltd. (3692)	17.8	—	—	17.8
Mr. Li Yi (CEO and ED)	Sino Biopharmaceutical Ltd. (1177)	18.6	4.3	—	22.9

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Name of CEOs and/or EDs <i>(Note 1)</i>	Company name (stock code) <i>(Note 4)</i>	Salaries, contributions, and other benefits <i>(RMB'M)</i>	Performance- based or discretionary bonus <i>(RMB'M)</i>	Share-based payment expenses <i>(RMB'M)</i>	Total <i>(RMB'M)</i>
Mr. Cai Dongchen (CEO and ED)	CSPC Pharmaceutical Group Ltd. (1093)	4.7	7.1	—	11.8
Dr. De-Chao Michael Yu (CEO and ED)	Innovent Biologics, Inc. (1801)	2.9	14.9	86.8	104.6
<b>Max (all CEOs)</b>					<b>104.6</b>
<b>Min (all CEOs)</b>					<b>11.8</b>
<b>Average (all CEOs)</b>					<b>39.3</b>
Mr. Liu Yongzhuo (ED)	China Evergrande New Energy Vehicle Group Ltd. (708)	6.1	—	11.4	17.5
Mr. Qin Liyong (ED)	China Evergrande New Energy Vehicle Group Ltd. (708)	4.4	—	1.1	5.5
Miss Sun Yuan (ED)	Hansoh Pharmaceutical Group Company Ltd. (3692)	14.1	—	—	14.1
Mr. Lyu Aifeng (ED)	Hansoh Pharmaceutical Group Company Ltd. (3692)	3.3	—	2.3	5.6
Mr. Tse Ping (ED)	Sino Biopharmaceutical Ltd. (1177)	17.3	26.7	—	44.0
Ms. Tse, Theresa Y Y (ED)	Sino Biopharmaceutical Ltd. (1177)	12.7	17.8	—	30.5

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Name of CEOs and/or EDs <i>(Note 1)</i>	Company name (stock code) <i>(Note 4)</i>	Salaries, contributions, and other benefits <i>(RMB'M)</i>	Performance- based or discretionary bonus <i>(RMB'M)</i>	Share-based payment expenses <i>(RMB'M)</i>	Total <i>(RMB'M)</i>
Ms. Cheng Cheung Ling (ED)	Sino Biopharmaceutical Ltd. (1177)	13.9	17.8	—	31.7
Mr. Tse, Eric S Y (ED)	Sino Biopharmaceutical Ltd. (1177)	7.0	17.8	—	24.8
Mr. Tse Hsin (ED)	Sino Biopharmaceutical Ltd. (1177)	2.0	2.7	—	4.7
Mr. Wang Shanchun (ED)	Sino Biopharmaceutical Ltd. (1177)	7.7	—	—	7.7
Mr. Tian Zhoushan (ED)	Sino Biopharmaceutical Ltd. (1177)	2.0	—	—	2.0
Ms. Li Mingqin (ED)	Sino Biopharmaceutical Ltd. (1177)	0.6	0.5	—	1.1
Mr. Zhang Cuilong (ED)	CSPC Pharmaceutical Group Ltd. (1093)	0.8	8.0	—	8.8
Mr. Wang Zhenguo (ED)	CSPC Pharmaceutical Group Ltd. (1093)	0.8	5.3	—	6.1
Mr. Pan Weidong (ED)	CSPC Pharmaceutical Group Ltd. (1093)	0.8	3.6	—	4.4
Mr. Wang Huaiyu (ED)	CSPC Pharmaceutical Group Ltd. (1093)	0.8	3.6	—	4.4
Mr. Lu Hua (ED)	CSPC Pharmaceutical Group Ltd. (1093)	0.4	—	—	0.4

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Name of CEOs and/or EDs <sup>(Note 1)</sup>	Company name (stock code) <sup>(Note 4)</sup>	Salaries, contributions, and other benefits (RMB'M)	Performance- based or discretionary bonus (RMB'M)	Share-based payment expenses (RMB'M)	Total (RMB'M)
Dr. Li Chunlei (ED)	CSPC Pharmaceutical Group Ltd. (1093)	0.8	3.6	—	4.4
Dr. Wang Qingxi (ED)	CSPC Pharmaceutical Group Ltd. (1093)	1.8	0.9	—	2.7
Mr. Chak Kin Man (ED)	CSPC Pharmaceutical Group Ltd. (1093)	2.2	2.7	—	4.9
Mr. Ronald Hao Xi Ede (ED)	Innovent Biologics, Inc. (1801)	2.4	4.1	7.3	13.8
<b>Max (all EDs)</b>					<b>104.6</b>
<b>Min (all EDs)</b>					<b>0.4</b>
<b>Average (all EDs)</b>					<b>15.8</b>
<b>Dr. Zhisheng Chen (CEO and ED)</b>	<b>The Company</b>	<b>3.0</b>	<b>1.5</b>	<b>40.9</b> <sup>(Note 2)</sup>	<b>45.4</b>
<b>Dr. Weichang Zhou (ED)</b>	<b>The Company</b>	<b>1.7</b>	<b>0.7</b>	<b>8.6</b> <sup>(Note 3)</sup>	<b>11.0</b>

Sources: the website of the Stock Exchange and the Management

Notes:

- The above table only included CEOs and/or EDs who had served as an CEO and/or for over six months during the latest financial year.
- Dr. Zhisheng Chen's share-based payment expenses for FY2020 of approximately RMB40.9 million is made up of: (i) the aggregated share-based payment expenses in relation to existing pre-IPO options and existing restricted shares and employee stock options expenses incurred for FY2020 of approximately RMB26.9 million; and (ii) the market value of the Connected Restricted Shares to be vested of approximately RMB14.0 million assuming the Connected Restricted Shares will be vested by one-fifth to Dr. Zhisheng Chen without any apportionment during FY2021.

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3. Dr. Weichang Zhou's share-based payment expenses for FY2020 of approximately RMB8.6 million to be recognized by the Company has taken into account: (i) the share-based payment expenses in relation to existing pre-IPO options and existing restricted shares and employee stock options expenses incurred for FY2020 of approximately RMB4.7 million; and (ii) the market value of the Connected Restricted Shares to be vested of approximately RMB3.9 million assuming the Connected Restricted Shares will be vested by one-fifth to Dr. Weichang Zhou without any apportionment during FY2021.
4. According to the above selection criteria, China Evergrande New Energy Vehicle Group Ltd. (formerly known as Evergrande Health Industry Group Ltd.) (stock code: 708), was identified as one of the Comparable Companies because the revenue of its health management segment accounted for approximately 98.8% of its total revenue as disclosed in its published latest annual report.

As shown in the table above, the total remuneration packages of the CEOs of the Comparable Companies ranged from approximately RMB11.8 million to approximately RMB104.6 million, with an average of approximately RMB39.3 million. Assuming the issue and allotment of the Connected Restricted Shares to Dr. Zhisheng Chen, being the CEO of the Company and an executive Director, vested by one-fifth (as the relevant vesting period is five years) in a year, the total remuneration package received by Dr. Zhisheng Chen for FY2020 will increase by the market value (based on the closing price of the Shares quoted on the Stock Exchange as at the Grant Date of HK\$87.95 per Share) of the Connected Restricted Shares of approximately HK\$16.6 million (equivalent to RMB14.0 million based on an exchange rate of RMB1=HK\$1.19) to approximately RMB45.4 million. Accordingly, the total remuneration package of Dr. Zhisheng Chen is within the range of the total remuneration packages of the CEOs of the Comparable Companies and is only slightly above the average total remuneration package of the CEOs of the Comparable Companies of RMB39.3 million.

On the other hand, the total remuneration packages of all EDs (including those who are also the CEOs) of the Comparable Companies ranged from approximately RMB0.4 million to approximately RMB104.6 million with an average of approximately RMB15.8 million. Assuming the issue and allotment of the Connected Restricted Shares to Dr. Weichang Zhou vested by one-fifth (as the relevant vesting period is five years) in a year, the total remuneration package received by Dr. Weichang Zhou for FY2020 will increase by the market value (based on the closing price of the Shares quoted on the Stock Exchange as at the Grant Date of HK\$87.95 per Share) of the Connected Restricted Shares of approximately HK\$4.6 million (equivalent to RMB3.9 million based on an exchange rate of RMB1=HK\$1.19) to approximately RMB11.0 million. Accordingly, the total remuneration package of Dr. Weichang Zhou is within the range of the total remuneration packages of the EDs of the Comparable Companies and is below the average total remuneration package of the EDs of the Comparable Companies of RMB15.8 million.

We noted, as at the Grant Date, the market capitalization of the Comparable Companies ranged from approximately HK\$102.8 billion to approximately HK\$519.6 billion with an average of approximately HK\$218.1 billion. As compared to the Comparable Company that paid the most



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of its CEO (i.e. Innovent Biologics, Inc.), which reported a loss of approximately RMB998.4 million for FY2020 and with a market capitalization stood at approximately HK\$102.8 billion as at the Grant Date, the Company grew its net profit to approximately RMB1,692.7 million for FY2020, representing a significant increase of approximately 67.5% against that of FY2019 while its market capitalization as at the Grant Date was approximately HK\$370.3 billion, which was significantly higher than the average market capitalization of the Comparable Companies and that of Innovent Biologics, Inc..

Based on the above respective favourable comparison of the aforementioned total remuneration packages of Dr. Zhisheng Chen and Dr. Weichang Zhou against those of the Comparable Companies, given the Company's significant market capitalization and profitable operating performance relative to some of the Comparable Companies, the aforementioned total remuneration packages of Dr. Zhisheng Chen and Dr. Weichang Zhou appear to be modest.

### **Subsidiary Directors' total remuneration package comparison**

The total remuneration packages of Mr. Jian Dong, Mr. Angus Scott Marshall Turner and Mr. Brendan McGrath for FY2020 were RMB3.5 million, RMB3.0 million and RMB3.6 million respectively. Assuming the issue and allotment of the Connected Restricted Shares to the Subsidiary Directors vested by one-fifth (as the relevant vesting period is five years) in a year, the total remuneration package to be received by Mr. Jian Dong, Mr. Angus Scott Marshall Turner and Mr. Brendan McGrath will increase by the market value (based on the closing price of the Shares quoted on the Stock Exchange as at the Grant Date of HK\$87.95 per Share) of the Connected Restricted Shares of approximately HK\$2.7 million, HK\$1.7 million and HK\$0.3 million respectively (equivalent to RMB2.3 million, RMB1.4 million and RMB0.3 million respectively based on an exchange rate of RMB1=HK\$1.19). The resultant remuneration packages of Mr. Jian Dong, Mr. Angus Scott Marshall Turner and Mr. Brendan McGrath would be RMB5.8 million, RMB4.4 million and RMB3.9 million respectively and they are significantly below the average total remuneration package of the EDs of the Comparable Companies of RMB15.8 million. Given the fact that there is a lack of disclosure on the subsidiary directors' total remuneration packages of the Comparable Companies, we have opted for using the average total remuneration package of the EDs of the Comparable Companies as a contrasting alternative.

According to a biotechnology industry salary survey named 2020年生物技術行業薪酬調查報告(2020 Biotechnology Industry Salary Survey Report\*) published by Xinchou.com (中國薪酬網), an independent salary analytics provider established in 2010 and headquartered in Shanghai, the PRC which has published over 100,000 salary reports and has accumulated more than 38,000,000 report users, the annual base salary level of the general managers of biotechnology companies in the PRC with over 10 years of experience, which in our opinion aligns with the salary level of Mr. Jian Dong, Mr. Angus Scott Marshall Turner and Mr. Brendan McGrath, would range from

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approximately RMB1.5 million to RMB1.7 million. We note that the FY2020 annual base salary of Mr. Dong Jian was approximately RMB1.4 million, which is below the lower bound of the above salary range. We also noted that the FY2020 annual base salaries of Mr. Angus Scott Marshall Turner and Mr. Brendan McGrath were RMB2.1 million and RMB2.0 million respectively, which were slightly above the upper bound of the above range. As explained in the sub-section above, considering the large scale operation and market leading market capitalization of the Company, the difference in pay levels between the Company and those of the Chinese biotechnology companies, in our view, is appropriate.

Based on the information the Company made available to us, we noted that Mr. Jian Dong and Mr. Angus Scott Marshall Turner have been serving key regional roles of the Group for approximately seven and five years respectively, while Mr. Brendan McGrath has been serving key regional role of the Group for approximately three years. As advised by the Management, the Subsidiary Directors have made significant contributions to the Group in the past and are expected to continue to contribute to international development of the Group in the future. WuXi Biologics Ireland Limited, WuXi Biologics Germany GmbH and WuXi Vaccines Ireland Limited, for which Mr. Jian Dong, Mr. Angus Scott Marshall Turner and Mr. Brendan McGrath currently hold directors and senior management positions, are all important subsidiaries of the Company that are significant to the Group's development. The critical importance of these three subsidiaries and the contributions made by the Subsidiary Directors are set out in the paragraph headed "4. Connected transaction involving grant of Restricted Shares to connected persons pursuant to Specific Mandate — Reasons for and benefits of the grant of the Connected Restricted Shares to the Connected Grantees" in the Letter from the Board.

Based on the above, we are of the view that the total remuneration packages of the Subsidiary Directors are fair and reasonable.

### **INEDs' total remuneration package comparison**

As discussed with the Management, we understand the total remuneration packages of the independent non-executive Directors, with the only exception of Mr. William Robert Keller who receives half of his total remuneration package through the Connected Restricted Shares while the other half through salary, will be made up entirely by the Connected Restricted Shares Grant with the Connected Restricted Shares to be vested in a single year.

Based on our research of the total remuneration packages of the INEDs for FY2020 of the Comparable Companies, the total remuneration packages (excluding those who had served as an INED for less than 6 months during latest financial year) of 18 INEDs of the Comparable Companies ranged from approximately RMB60,000 to approximately RMB402,000, with an average of approximately RMB264,300. Assuming the issue and allotment of the Connected

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Restricted Shares to Mr. William Robert Keller, Mr. Teh-Ming Walter Kwauk and Mr. Kenneth Walton Hitchner III are vested in full in a year, the total remuneration packages to be received by Mr. William Robert Keller and Mr. Teh-Ming Walter Kwauk and Mr. Kenneth Walton Hitchner III as represented by the market value (based on the closing price of the Shares quoted on the Stock Exchange as at the Grant Date of HK\$87.95 per Share) of the Connected Restricted Shares are approximately HK\$216,973 HK\$433,945 and HK\$433,945 respectively, which are within the range of and are above the average total remuneration package of the INEDs of the Comparable Companies.

Furthermore, according to a salary survey conducted by PwC, a “Big-4” global accounting firm, on the top 300 Hong Kong listed companies, the average directorship fee of the INEDs of the top 300 Hong Kong listed companies in 2018 were approximately HK\$470,000. The market value (based on the closing price of the Shares quoted on the Stock Exchange as at the Grant Date of HK\$87.95 per Share) of the Connected Restricted Shares for each of the independent non-executive Directors is less than the aforesaid average directorship fee.

### **6. Financial effects of the Grant (including the Connected Restricted Shares Grant)**

As set out in the 2020 Annual Report, for Shares granted under the Scheme, the fair value of the employee services received is determined by reference to the fair value of the Restricted Shares granted at the grant date and is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (equity-settled share-based compensation reserve). At the end of each financial year, the Group revises its estimates of the number of Restricted Shares that are expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the estimates, if any, is recognized in the profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to equity-settled share-based compensation reserve. When the Restricted Shares are vested, the amount previously recognized in the Scheme reserve will be transferred to share premium.

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**7. Shareholding effects of the Grant (including the Connected Restricted Shares Grant)**

The table below sets out the shareholding effects of the Grant (a) as at the Latest Practicable Date; and (b) immediately after the issuance, allotment and full vesting of the Connected Restricted Shares and Restricted Shares to the Non-connected Grantees (assuming no other change in the issued share capital of the Company other than the issuance, allotment and full vesting of the Connected Restricted Shares and Restricted Shares to the Non-connected Grantees):

**Table 6: Shareholding table of the Company with respect to the Grant**

Name of shareholder	As at the Latest Practicable Date		Immediately after the issuance, allotment and full vesting of the Connected Restricted Shares and Restricted Shares to the Non-connected Grantees (assuming no other change in the issued share capital of the Company)	
	No. of Shares	%	No. of Shares	%
WuXi Biologics Holdings Limited (Note 1)	735,251,133	17.43%	735,251,133	17.40%
<b>Sub-total</b>	<b>735,251,133</b>	<b>17.43%</b>	<b>735,251,133</b>	<b>17.40%</b>
<b>Director</b>				
Mr. Edward Hu	2,137,500 13,680 Restricted Shares	0.05%	2,137,500 13,680 Restricted Shares	0.05%
<b>Sub-total</b>	<b>2,137,500 13,680 Restricted Shares</b>	<b>0.05%</b>	<b>2,137,500 13,680 Restricted Shares</b>	<b>0.05%</b>

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Name of shareholder	As at the Latest Practicable Date		Immediately after the issuance, allotment and full vesting of the Connected Restricted Shares and Restricted Shares to the Non-connected Grantees (assuming no other change in the issued share capital of the Company)	
	<i>No. of Shares</i>	%	<i>No. of Shares</i>	%
<b>Connected Grantees</b>				
<i>Directors</i>				
Dr. Zhisheng Chen (Note 2)	9,934,254	2.84%	9,934,254	2.86%
	105,732,000 share options		105,732,000 share options	
	4,138,296 Restricted Shares		5,083,496 Restricted Shares	
Dr. Weichang Zhou	15,089,000 share options	0.38%	15,089,000 share options	0.38%
	827,157 Restricted Shares		1,090,836 Restricted Shares	
Mr. William Robert Keller	8,472	0.00%	8,472	0.00%
	6,840 Restricted Shares		9,307 Restricted Shares	
Mr. Teh-Ming Walter Kwauk	13,680 Restricted Shares	0.00%	18,614 Restricted Shares	0.00%
Mr. Kenneth Walton	40,000	0.00%	40,000	0.00%
Hitchner III			4,934 Restricted Shares	
<i>Subsidiary Directors</i>				
Mr. Jian Dong	25,135	0.15%	25,135	0.15%
	6,012,000 share options		6,012,000 share options	
	189,348 Restricted Shares		345,550 Restricted Shares	
Mr. Angus Scott Marshall	912,000 share options	0.02%	912,000 share options	0.02%
Turner	29,511 Restricted Shares		127,816 Restricted Shares	
Mr. Brendan McGrath	160,083 Restricted Shares	0.00%	177,503 Restricted Shares	0.00%
<b>Sub-total</b>	10,007,861	0.24%	10,007,861	0.24%
	127,745,000 share options	3.03%	127,745,000 share options	3.02%
	5,364,915 Restricted Shares	0.13%	6,858,056 Restricted Shares	0.16%

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Name of shareholder	As at the Latest Practicable Date		Immediately after the issuance, allotment and full vesting of the Connected Restricted Shares and Restricted Shares to the Non-connected Grantees (assuming no other change in the issued share capital of the Company)	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
<b>Non-connected Grantees</b>	0	0.00%	4,736,220 Restricted Shares	0.11%
<b>Sub-total</b>	10,007,861	0.24%	10,007,861	0.24%
	127,745,000 share options	3.03%	127,745,000 share options	3.02%
	5,364,915 Restricted Shares	0.13%	11,594,276 Restricted Shares	0.27%
<b>Public shareholders</b>	3,465,666,089	82.16%	3,465,666,089	82.03%
<b>Total</b>	<b>4,218,441,178</b>	<b>100%</b>	<b>4,224,670,539</b>	<b>100%</b>

*Source: the Letter from the Board*

*Notes:*

1. New WuXi Life Science Holdings Limited wholly owned New WuXi Life Science Limited, which wholly owned WuXi PharmaTech (Cayman) Inc., which in turn controlled 42.29% of the voting power at general meetings of WuXi Biologics Holdings Limited. WuXi Biologics Holdings Limited directly owned 735,251,133 Shares. New WuXi Life Science Holdings Limited, New WuXi Life Science Limited and WuXi PharmaTech (Cayman) Inc. are deemed to be interested in the Shares held by WuXi Biologics Holdings Limited.
2. The 9,934,254 Shares held by Dr. Zhisheng Chen through a trust of which Dr. Zhisheng Chen is the settlor (founder) and his spouse and child are the beneficiaries.

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As shown in the table above, as a result of the issue and allotment of the aggregate of 6,229,361 Restricted Shares, taking into account of 1,493,141 Connected Restricted Shares that may be issued, the shareholding interests of existing public Shareholders will be diluted from 82.16% to approximately 82.03% of the total issued share capital of the Company as at the Latest Practicable Date, and the dilution effect on the shareholdings of the existing public Shareholders is immaterial. Although the Shareholding interest of the public Shareholders will be diluted, taking into account: (i) the reasons for and benefits of the Connected Restricted Shares Grant, the Specific Mandate and the transactions contemplated thereunder as discussed above; (ii) the terms of the Connected Restricted Shares are fair and reasonable and in the interests of the Company and the Shareholders as a whole as discussed above, and (iii) there will not be any actual cash outflow by the Group under the Grant, we consider the dilution to the Independent Shareholders upon the issue and allotment of the Connected Restricted Shares to the Connected Grantees to be acceptable.

### OPINION AND RECOMMENDATION

Having taken into consideration the factors and reasons as stated above, we are of the opinion that (i) the terms of the Connected Restricted Shares Grant, the Specific Mandate and transactions contemplated thereunder are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; and (ii) the Connected Restricted Shares Grant, the Specific Mandate and transactions contemplated thereunder are conducted under the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolutions to be proposed at the Annual General Meeting to approve the Connected Restricted Shares Grant, the Specific Mandate and the transaction contemplated thereunder.

Yours faithfully,  
For and on behalf of  
**Opus Capital Limited**  
**Cheung On Kit Andrew**  
*Executive Director*

*Mr. Cheung On Kit Andrew is an Executive Director of Opus Capital Limited and is licensed under the SFO as a Responsible Officer to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities. Mr. Cheung has over 13 years of corporate finance experience in Asia Pacific and has participated in and completed various financial advisory and independent financial advisory transactions.*

**1. 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 Group. The Directors, having made all reasonable inquiries, confirm that to the best of their knowledge and belief the information contained in this 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.

**2. DISCLOSURE OF INTERESTS OF DIRECTORS**

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules, were as follows:

**Long and short positions in shares, underlying shares and debentures of the Company:**

Name of Director	Capacity/ Nature of Interests	Number of Shares/underlying Shares held <i>(Note 1)</i>	Approximate percentage of shareholding interest <i>(Note 2)</i>
Dr. Ge Li	Interests of controlled corporations <i>(Note 2)</i>	735,251,133	17.43%
Dr. Zhisheng Chen	Founder of a discretionary trust <i>(Note 3)</i>	9,934,254	2.84%
	Beneficial owner <i>(Note 4)</i>	105,732,000 share options	
	Beneficial owner <i>(Note 5)</i>	4,138,296 Restricted Shares	



Name of Director	Capacity/ Nature of Interests	Number of Shares/underlying Shares held <i>(Note 1)</i>	Approximate percentage of shareholding interest <i>(Note 2)</i>
Dr. Weichang Zhou	Beneficial owner <i>(Note 4)</i>	15,089,000 share options (L)	0.38%
	Beneficial owner <i>(Note 5)</i>	827,157 Restricted Shares (L)	
Mr. Edward Hu	Beneficial owner	2,137,500 (L)	0.05%
	Beneficial owner <i>(Note 5)</i>	13,680 Restricted Shares (L)	
Mr. William Robert Keller	Beneficial owner	8,472 (L)	0.00%
	Beneficial owner <i>(Note 5)</i>	6,840 Restricted Shares (L)	
Mr. Teh-Ming Walter Kwauk	Beneficial owner <i>(Note 5)</i>	13,680 Restricted Shares (L)	0.00%
Mr. Kenneth Walton Hitchner III	Beneficial owner	40,000 (L)	0.00%

*Notes:*

1. As at the Latest Practicable Date, total number of Shares in issue is 4,218,441,178 Shares.
2. Dr. Ge Li controlled, directly and indirectly, the exercise of 57.71% of the voting power at the general meeting of WuXi Biologics Holdings Limited. Hence, Dr. Ge Li is deemed to be interested in 735,251,133 Shares held by WuXi Biologics Holdings Limited.
3. The 9,934,254 Shares held by Dr. Zhisheng Chen through a trust of which Dr. Zhisheng Chen is the settlor (founder) and his spouse and child are the beneficiaries.
4. Interests in share options granted pursuant to the pre-IPO share option scheme of the Company.
5. Interests in restricted shares granted pursuant to the Restricted Share Award Scheme of the Company.

As at the Latest Practicable Date, save as disclosed above, none of the Directors nor chief executive of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV

of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and shorts position which the directors and chief executive were deemed or taken to have under provisions of the SFO), or which were required to be and are recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules.

### **3. DIRECTORS' INTERESTS**

- (a) None of the Directors has any direct or indirect interest in any assets which have been, since December 31, 2020, being the date to which the latest published consolidated financial statements of the Company were made up, acquired or disposed of by or leased to, or which are proposed to be acquired or disposed of by, or leased to, any member of the Group.
- (b) None of the Directors was materially interested in any contract or arrangement subsisting at the Latest Practicable Date and which was significant in relation to the business of the Group.
- (c) None of the Directors or chief executive of the Company and their respective close associates (as defined in the Listing Rules) has any competing interests which would be required to be disclosed under Rule 8.10 of the Listing Rules if each of them was a controlling Shareholder of the Company.

### **4. SERVICE CONTRACTS**

None of the Directors has any existing or proposed service contract with any member of the Group which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

### **5. DISCLOSURE OF INTERESTS OF SUBSTANTIAL SHAREHOLDERS**

#### **Long and short positions in shares, underlying shares and debentures of the Company**

So far as is known to any directors or chief executive of the Company, as at the Latest Practicable Date, other than the interests and short positions of the directors or chief executive of the Company as disclosed in the section “Long and short positions in shares, underlying shares and debentures of the Company” above, the following person had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company

under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange:

Name of Shareholder	Capacity/ Nature of Interests	Number of Shares <i>(Note 1)</i>	Approximate percentage of shareholding interest <i>(Note 2)</i>
Dr. Ge Li	Interests of controlled corporations <i>(Note 3)</i>	735,251,133 (L)	17.43%
Dr. Ning Zhao	Interests of spouse <i>(Note 4)</i> Interests of parties acting in concert <i>(Note 5)</i>	735,251,133 (L)	17.43%
Mr. Zhaohui Zhang	Interests of parties acting in concert <i>(Note 5)</i>	735,251,133 (L)	17.43%
Mr. Xiaozhong Liu	Interests of parties acting in concert <i>(Note 5)</i>	735,251,133 (L)	17.43%
New WuXi Life Science Holdings Limited	Interests of controlled corporations <i>(Note 6)</i>	735,251,133 (L)	17.43%
New WuXi Life Science Limited	Interests of controlled corporations <i>(Note 6)</i>	735,251,133 (L)	17.43%
WuXi PharmaTech (Cayman) Inc.	Interests of controlled corporations <i>(Note 6)</i>	735,251,133 (L)	17.43%
WuXi Biologics Holdings Limited	Beneficial owner <i>(Note 3)</i>	735,251,133 (L)	17.43%
JPMorgan Chase & Co.	Investment manager <i>(Note 7)</i>	393,442,076 (L) 9,022,527 (S) 169,159,460 (P)	9.33% 0.21% 4.01%

Name of Shareholder	Capacity/ Nature of Interests	Number of Shares (Note 1)	Approximate
			percentage of shareholding interest (Note 2)
The Capital Group Companies, Inc.	Interests of controlled corporations (Note 8)	291,515,252 (L)	6.91%
BlackRock, Inc.	Interests of controlled corporations (Note 9)	209,859,826 (L) 1,480,500 (S)	4.97% 0.04%

*Notes:*

- The letter “L” denotes the person’s long position in the Shares; the letter “S” denotes the person’s short position in the Shares; and the letter “P” denotes the person’s lending pool in the Shares.
- As at the Latest Practicable Date, total number of Shares in issue is 4,218,441,178 Shares.
- Dr. Ge Li controlled, 21.44% of the issued share capital of WuXi Biologics Holdings Limited and 57.71% of the voting power at its general meetings. Hence, Dr. Ge Li is deemed to be interested in 735,251,133 Shares held by WuXi Biologics Holdings Limited.
- Dr. Ning Zhao is the spouse of Dr. Ge Li and is deemed to be interested in the Shares interested by Dr. Ge Li.
- Dr. Ge Li, Dr. Ning Zhao, Mr. Zhaohui Zhang and Mr. Xiaozhong Liu entered into an acting-in-concert agreement on June 30, 2016 to acknowledge and confirm their acting-in-concert relationship in relation to the Company. Hence, Dr. Ge Li, Dr. Ning Zhao, Mr. Zhaohui Zhang and Mr. Xiaozhong Liu are deemed to be interested in the Shares held by each other.
- New WuXi Life Science Holdings Limited wholly owned New WuXi Life Science Limited, which wholly owned WuXi PharmaTech (Cayman) Inc., which in turn controlled 42.29% of the voting power at general meetings of WuXi Biologics Holdings Limited. WuXi Biologics Holdings Limited directly owned 735,251,133 Shares. New WuXi Life Science Holdings Limited, New WuXi Life Science Limited and WuXi PharmaTech (Cayman) Inc. are deemed to be interested in the Shares held by WuXi Biologics Holdings Limited.
- The Shares held by JPMorgan Chase & Co. were held via different entities in the following capacities:

No. of Shares (Note 1)	Capacity
17,024,479 (L)	Interests of controlled corporations
9,022,527 (S)	
205,948,533 (L)	Investment manager
796,020 (L)	Person having a security interest in shares
513,584 (L)	Trustee
169,159,460 (L)	Approved lending agent

8. The Capital Group Companies Inc. wholly owned Capital Research and Management Company, which wholly owned Capital Group International, Inc., which in turn wholly owned Capital International Limited, Capital International Sarl and Capital International, Inc. Capital International Limited, Capital International Sarl and Capital International, Inc. directly owned 180,500 Shares, 1,109,800 Shares and 4,256,000 Shares, respectively. Capital Research and Management Company directly owned 285,968,952 Shares. Capital Research and Management Company and Capital Group International, Inc. are deemed to be interested in the 5,546,300 Shares held by Capital International Limited, Capital International Sarl and Capital International, Inc. The Capital Group Companies Inc. is deemed to be interested in the 291,515,252 Shares held by Capital Research and Management Company directly and indirectly.
9. BlackRock Inc., is deemed to be interested in the long position of a total of 209,859,826 Shares and in the short position of 1,480,500 Shares indirectly through a series of controlled corporations.

Save as disclosed above, as at the Latest Practicable Date, there was no other person (other than the Directors or chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange.

## **6. MATERIAL ADVERSE CHANGE**

As at the Latest Practicable Date, the Directors confirmed that there was not any material adverse change in the financial or trading position of the Group since December 31, 2020, the date to which the latest published consolidated financial statements of the Company were made up.

## **7. MATERIAL LITIGATION**

No member of the Group was engaged in any litigation or claims of material importance, and no such litigation or claim of material importance was known to the Directors to be pending or threatened by or against any members of the Group, as at the Latest Practicable Date.

## 8. EXPERT AND CONSENT

The following are the qualifications of the expert who has given opinion or advice, which are contained or referred to in this circular:

<b>Name</b>	<b>Qualifications</b>
Opus Capital	A corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the Independent Financial Advisor

As at the Latest Practicable Date, Opus Capital did not have (i) any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group and (ii) any direct or indirect interest in any assets which had, since December 31, 2020 (being the date to which the latest published consolidated financial statements of the Company were made up), been acquired or disposed of by, or leased to any member of the Group, or are proposed to be acquired or disposed of by, or leased to any member of the Group.

Opus Capital has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter and references to its name in the form and context in which it appears.

## 9. GENERAL

- (a) The authorized share capital of the Company is US\$50,000.
- (b) The principal share registrar and transfer agent of the Company is Maples Fund Services (Cayman) Limited — PO Box 1093, Boundary Hall, Cricket Square, Grand Cayman KY1-1102, Cayman Islands.
- (c) The Hong Kong branch share registrar and transfer office of the Company is Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (d) The joint company secretaries of the Company are Mr. Huang Yue and Ms. Sham Ying Man.

- (e) In the event of any inconsistency, the English language text of this circular shall prevail over the Chinese language text.

**10. DOCUMENTS AVAILABLE FOR INSPECTION**

The following documents will available for inspection during normal business hours at the principal place of business in Hong Kong at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong from the date of this circular up to and including the date of the Annual General Meeting:

- (a) a copy of the Restricted Share Award Scheme;
- (b) the letter from Opus Capital to the Independent Shareholders, the text of which is set out on pages 27 to 53 of this circular;
- (c) the letter of consent referred to in the paragraph headed "Expert and Consent" in this appendix;
- (d) the memorandum and articles of association of the Company;
- (e) the annual results announcement for the Company for the financial year ended December 31, 2020;
- (f) the annual reports for the Company for the two financial years ended December 31, 2019 and 2020 respectively; and
- (g) this circular.

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## APPENDIX II    DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED AND ELECTED AT THE ANNUAL GENERAL MEETING

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### PROPOSED RE-ELECTION OF RETIRING DIRECTORS

The following are details of the Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting.

#### (1) Mr. William Robert Keller — Independent non-executive Director

Mr. William Robert Keller, aged 73, was appointed as an independent non-executive Director on May 17, 2017. He joined the Group in May 2017. From December 2010 to November 2020, he served as the chairman of Coland Pharmaceutical Co., Ltd. (康聯藥業有限公司), a company previously listed on Taiwan Stock Exchange (stock code: 4144), and was responsible for providing business advice to the company. From September 2014 to December 2015, Mr. William Robert Keller served as an independent director of WuXi PharmaTech (Cayman) Inc., a company previously listed on the New York Stock Exchange (stock code: WX) which was delisted on December 10, 2015, and was responsible for providing independent advice to the board of the company. From December 2009 to May 2015, Mr. William Robert Keller served as a director of Alexion Pharmaceuticals, Inc., a company listed on NASDAQ (stock code: ALXN), and was responsible for providing independent advice to the board of the company. From February 2003 to June 2014, Mr. William Robert Keller served as the founder and principal of Keller Pharma Consultancy (Shanghai) Co. Ltd. (凱樂醫藥諮詢(上海)有限公司) and was responsible for market entry and strategy consulting. From March 2003 to June 2014, Mr. William Robert Keller served as the deputy general manager of Shanghai Zhangjiang Biotech and Pharmaceutical Base Development Co., Ltd. (上海張江生物醫藥基地開發有限公司) and was responsible for consulting of pharmaceutical and biotechnological startups' industry development in the park. From May 2007 to April 2010, Mr. William Robert Keller served as the chairman of HBM Biomed China Partners Ltd. and was responsible for investment in biotechnology companies. From December 2007 to December 2014, Mr. William Robert Keller served as a director and later a supervisor of TaiGen Biopharmaceuticals Holding Limited (太景醫藥研發控股股份有限公司), a company listed on Taiwan Stock Exchange (stock code: 4157), and was responsible for overseeing financial matters. From June 1997 to December 2013, Mr. William Robert Keller served as the deputy chairman of the Shanghai Association of Enterprises with Foreign Investment (上海市外商投資企業協會), and was responsible for supporting foreign invested companies as a business advisor. From March 2003 to December 2013, Mr. William Robert Keller served as a senior consultant of the Shanghai Foreign Investment Development Board (上海市外國投資促進中心) and was responsible for providing advice regarding foreign investment development. Since September 14, 2018, Mr. William Robert Keller has been serving as an independent non-executive director of Hua Medicine (華領醫藥), a company listed on the Main Board of the Stock Exchange (stock code: 2552). Mr. William Robert Keller has been serving as a director of Cathay Biotech Inc. (上海凱賽



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## APPENDIX II    DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED AND ELECTED AT THE ANNUAL GENERAL MEETING

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生物技術股份有限公司), a company listed on Shanghai STAR Market (stock code: 688065) in August 2020. Mr. William Robert Keller obtained a bachelor of science's degrees from the School of Economics and Business Administration in Zurich, Switzerland in July 1972.

Save as disclosed above, Mr. William Robert Keller does not, at present, nor did he in the past three years, hold any directorship in any other public companies the securities of which are listed in Hong Kong or overseas.

Mr. William Robert Keller has signed a director's service agreement with the Company for a term of three years which is terminable by either party with three months' written notice, and he is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles of Association.

Mr. William Robert Keller does not have any relationships with any Directors or senior management or substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. William Robert Keller was interested in 8,472 Shares and 6,840 Restricted Shares granted to him under the Scheme entitling him to receive 6,840 Shares upon vesting within the meaning of Part XV of the SFO.

Mr. William Robert Keller is entitled to a director's fee of HK\$450,000 per annum as determined by the Board at the recommendation of the Remuneration Committee of the Company with reference to the prevailing market condition and his performance, time commitment and responsibility with the Company.

There is no information which is discloseable nor is/was Mr. William Robert Keller involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters relating to Mr. William Robert Keller's re-election that need to be brought to the attention of the Shareholders.

### **(2) Mr. Teh-Ming Walter Kwauk — Independent non-executive Director**

Mr. Teh-Ming Walter Kwauk (郭德明), aged 68, was appointed as an independent non-executive Director on May 17, 2017. He joined the Group in May 2017. Prior to joining the Group, he has been serving as an independent director and chairman of the audit committee of Alibaba Group Holding Limited (阿里巴巴集團控股有限公司), a company dual-listed on the New York Stock Exchange ("NYSE") (stock code: BABA) and the Main Board of the Stock Exchange (stock code: 9988) since September 2014. Since September 2018, Mr. Teh-Ming Walter Kwauk served as an independent non-executive director of Hua Medicine (華領醫藥), a company listed on

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## APPENDIX II     DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED AND ELECTED AT THE ANNUAL GENERAL MEETING

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the Main Board of the Stock Exchange (stock code: 2552), and has been responsible for supervising and providing independent judgment to the board of the company. Mr. Teh-Ming Walter Kwauk also served as an independent non-executive director and the chairman of the audit committee of China Fordoo Holding Limited (中國虎都控股有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 2399) from June 2014 to August 2016. From August 2014 to December 2015, Mr. Teh-Ming Walter Kwauk served as an independent director of WuXi PharmaTech (Cayman) Inc., a company previously listed on the NYSE (stock code: WX) which was delisted on December 10, 2015, and was responsible for providing independent judgement to the board of the company. Since October 2012, he has been serving as an independent non-executive director and the chairman of the audit committee of Sinosoft Technology Group Limited (中國擎天軟件科技集團有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 1297). Since January 2003, Mr. Teh-Ming Walter Kwauk has been serving as a senior consultant and a vice president of Motorola Solutions (China) Co., Ltd. (摩托羅拉系統(中國)有限公司), and has been responsible for providing advice on corporate strategic, finance and tax. Mr. Teh-Ming Walter Kwauk was a partner of KPMG, an accounting firm primarily engaged in providing audit, advisory and tax services from 1977 to 2002, and was responsible for audit. Mr. Teh-Ming Walter Kwauk obtained a bachelor's degree in science in April 1975 and a licentiate's degree in accounting in April 1977 from the University of British Columbia in Canada. He has been an associate member of Hong Kong Institute of Certified Public Accountants since March 1983.

Save as disclosed above, Mr. Teh-Ming Walter Kwauk does not, at present, nor did he in the past three years, hold any directorship in any other public companies the securities of which are listed in Hong Kong or overseas.

Mr. Teh-Ming Walter Kwauk has signed a director's service agreement with the Company for a term of three years which is terminable by either party with three months' written notice, and he is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provision of the Articles of Association.

Mr. Teh-Ming Walter Kwauk does not have any relationships with any Directors or senior management or substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Teh-Ming Walter Kwauk was interested in 13,680 Restricted Shares granted to him under the Scheme entitling him to receive 13,680 Shares upon vesting within the meaning of Part XV of the SFO.

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## APPENDIX II    DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED AND ELECTED AT THE ANNUAL GENERAL MEETING

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Mr. Teh-Ming Walter Kwauk is entitled to a director's fee of HK\$450,000 per annum as determined by the Board at the recommendation of the Remuneration Committee of the Company with reference to the prevailing market condition and his performance, time commitment and responsibility with the Company.

There is no information which is discloseable nor is/was Mr. Teh-Ming Walter Kwauk involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters relating to Mr. Teh-Ming Walter Kwauk's re-election that need to be brought to the attention of the Shareholders.

### PROPOSED ELECTION OF NEW DIRECTOR

The following are details of the candidate who is recommended by the Board for election as Director at the Annual General Meeting.

#### **Dr. Ning Zhao — Proposed Non-executive Director**

Dr. Ning Zhao (趙寧), aged 54, is a co-founder and an executive director of WuXi AppTec Co., Ltd. (無錫藥明康德新藥開發股份有限公司) (“**WuXi AppTec**”), a company dual-listed on Shanghai Stock Exchange (上海證券交易所) (stock code: 603259) and the Main Board of the Stock Exchange (stock code: 2359). Since 2011, she has served as WuXi AppTec's Senior Vice President of Operations and Global Head of Human Resources. In 2020, Dr. Ning Zhao co-founded the Ge Li & Ning Zhao Family Foundation with Dr. Ge Li and serves as a director and president of the organization.

From 2004 to 2011, Dr. Ning Zhao was the Vice President of Analytical Services and Lead Advisor of Analytical Services Operations at WuXi AppTec. In this role, she established WuXi AppTec's global analytical services platform, which provides comprehensive and integrated capabilities across all stages of drug discovery and development. She previously held various research and management positions at Bristol-Myers Squibb, Pharmacopeia, and Wyeth Pharmaceuticals (now Pfizer).

Dr. Ning Zhao is an Honorary Trustee of Peking University, and a member of the Board of Trustees at the Peddie School. She was named one of Forbes China's “50 Top Women in Tech” in 2019, and to Forbes China's “Top Businesswomen List” in 2021.

Dr. Ning Zhao obtained her bachelor's degree in chemistry from Peking University in 1989 and her doctoral degree in organic chemistry from Columbia University, where she was awarded the George Pegram Award, in 1995.

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**APPENDIX II     DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED  
AND ELECTED AT THE ANNUAL GENERAL MEETING**

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Other than as noted above, Dr. Ning Zhao does not, at present, nor did she in the past three years, hold any directorship in any other public companies the securities of which are listed in Hong Kong or overseas.

When the appointment takes effect upon the conclusion of the Annual General Meeting, Dr. Ning Zhao will enter into a director's service agreement with the Company for a term of three years which is terminable by either party with three months' written notice, and she is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provision of the Articles of Association.

Dr. Ning Zhao is a substantial shareholder of the Company and she is the spouse of Dr. Ge Li, non-executive Director and one of the substantial shareholders of the Company. Dr. Ning Zhao entered into an acting in-concert agreement dated June 30, 2016 with Dr. Ge Li, Mr. Zhaohui Zhang and Mr. Xiaozhong Liu to acknowledge and confirm their acting-in-concert relationship in relation to the Company. As at the Latest Practicable Date, each of Dr. Ning Zhao, Dr. Ge Li, Mr. Zhaohui Zhang and Mr. Xiaozhong Liu is a substantial shareholder of the Company. Other than as noted above, Dr. Ning Zhao does not have any relationships with any other Directors or senior management or substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Dr. Ning Zhao was deemed to be interested in 735,251,133 Shares within the meaning of Part XV of the SFO.

The proposed remuneration of Dr. Ning Zhao is HK\$450,000 per annum, which is determined by the Board at the recommendation of the Remuneration Committee with reference to the prevailing market condition and her duties and responsibilities with the Company.

There is no information which is discloseable nor is/was Dr. Ning Zhao involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters relating to Dr. Ning Zhao's election that need to be brought to the attention of the Shareholders and the Stock Exchange.

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Share Repurchase Mandate.

### **1. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 4,218,441,178 Shares.

Subject to the passing of the ordinary resolution set out in item 7 of the notice of the Annual General Meeting in respect of the granting of the Share Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, the Directors would be authorised under the Share Repurchase Mandate to repurchase, during the period from the date of resolution granting the Share Repurchase Mandate until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the Articles of Association to be held; and (iii) its revocation or variation by ordinary resolution of the Shareholders in a general meeting, a total of 421,844,117 Shares, representing 10% of the total number of Shares in issue as at the date of passing of the relevant resolution for granting the Share Repurchase Mandate.

### **2. REASONS FOR SHARE REPURCHASE**

The Directors believe that the granting of the Share Repurchase Mandate is in the interests of the Company and the Shareholders as a whole.

Share repurchase may depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share. The Directors have sought the granting of the Share Repurchase Mandate to give the Company more flexibility to repurchase the Shares on the Stock Exchange if and when appropriate. The repurchase of the Shares will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

### **3. FUNDING OF SHARE REPURCHASE**

The Company may only apply funds legally available for share repurchase in accordance with its memorandum and articles of association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

**4. IMPACT OF SHARE REPURCHASE**

Any repurchase of the Shares by the Company may be made out of the Company's capital or profits so long as the Company is solvent. The amount of financing required for the Company to purchase or acquire its Shares, and the impact on the Company's financial position, cannot be ascertained as at the Latest Practicable Date as these will depend on whether the Shares are purchased or acquired out of capital or profits, the number of shares purchased or acquired and the price at which such Shares were purchased or acquired.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements contained in the annual report of the Company for the year ended December 31, 2020) in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

**5. MARKET PRICES OF SHARES**

The highest and lowest prices per Share at which Shares have been traded on the Stock Exchange during each of the previous 12 months preceding the Latest Practicable Date were as follows:

<b>Month</b>	<b>Share Price Per Share</b>	
	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2020</b>		
May	140.80	115.00
June	150.80	122.60
July	163.50	135.50
August	209.20	151.90
September	203.80	173.00
October	233.00	190.80
November	85.65	70.133 <sup>A</sup>
December	102.80	74.65
<b>2021</b>		
January	128.20	94.15
February	128.90	94.95
March	106.20	77.70
April	118.40	98.00
May ( <i>up to and including the Latest Practicable Date</i> )	110.30	98.00

*A = Share price adjusted subsequent to the share subdivision becoming effective on November 16, 2020*

**6. GENERAL**

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

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

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to repurchase Shares pursuant to the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

#### **7. TAKEOVERS CODE**

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

To the best knowledge and belief of the Directors, the Directors are not aware of any consequences which would arise under the Takeovers Code as a result of an exercise of the proposed Share Repurchase Mandate.

#### **8. SHARE REPURCHASE MADE BY THE COMPANY**

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



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## NOTICE OF ANNUAL GENERAL MEETING

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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)**

### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual 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 Wednesday, June 16, 2021 at 3:00 p.m. for the following purposes:

1. To receive the audited consolidated financial statements of the Company and its subsidiaries and the reports of the Directors and of the independent auditor of the Company for the year ended December 31, 2020.
2. To re-elect the following Directors, each as a separate resolution:
  - (a) To re-elect Mr. William Robert Keller as independent non-executive Director.
  - (b) To re-elect Mr. Teh-Ming Walter Kwauk as independent non-executive Director.
3. To elect Dr. Ning Zhao as non-executive Director.
4. To authorise the board of Directors or any duly authorised board committee to fix the Directors’ remuneration for the year ending December 31, 2021.
5. To re-appoint Messrs. Deloitte Touche Tohmatsu as auditors and to authorise the board of Directors or any duly authorised board committee to fix their remuneration.

\* For identification purpose only

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## NOTICE OF ANNUAL GENERAL MEETING

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6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraphs (b) and (c) below, a general and unconditional mandate be and is hereby given to the Directors to exercise all the powers of the Company during the Relevant Period (as hereinafter defined) to issue, allot and deal with the shares of the Company and to make or grant offers, agreements and options which would or might require the exercise of such powers, whether during the continuance of the Relevant Period or thereafter, in accordance with all applicable laws, rules and regulations;
- (b) the aggregate number of shares issued, allotted and dealt with or agreed conditionally or unconditionally to be issued, allotted or dealt with (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above during the Relevant Period, otherwise than pursuant to the following, shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution) and the said approval shall be limited accordingly:
  - (i) a rights issue where shares are offered for a period fixed by the Directors to shareholders on the register of members on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard, as appropriate, to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or stock exchange in Hong Kong, or in any territory applicable to the Company) and an offer, issue or allotment of shares by way of rights shall be constructed accordingly;
  - (ii) the exercise of options under a share option scheme;
  - (iii) any scrip dividend scheme or similar arrangement providing for the issue and allotment of shares in lieu of the whole or in part of any dividend in accordance with the articles of association of the Company; or
  - (iv) any specific authority granted or to be granted by the shareholders of the Company in general meeting;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (c) the mandate in paragraph (a) above shall authorise the Directors to issue and allot, or agree conditionally or unconditionally to issue and allot the shares of the Company for cash consideration, provided that the relevant price for shares shall not represent a discount of more than 10% to the Benchmarked Price (as hereinafter defined) of the shares of the Company; and
- (d) for the purposes of this resolution:

“**Benchmarked Price**” means the higher of:

- (i) the closing price of the shares of the Company as quoted on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on the date of the agreement involving the relevant proposed issue of shares of the Company; and
- (ii) the average closing price of the shares of the Company as quoted on the Stock Exchange for the five trading days immediately prior to the earlier of:
  - (A) the date of announcement of the transaction or arrangement involving the proposed issue of shares of the Company;
  - (B) the date of the agreement involving the relevant proposed issue of shares of the Company; and
  - (C) the date on which the price of the shares of the Company that are proposed to be issued is fixed.

“**Relevant Period**” means the period from the date of passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

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## NOTICE OF ANNUAL GENERAL MEETING

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7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (b) below, a general and unconditional mandate be and is hereby given to the Directors to exercise all the powers of the Company during the Relevant Period (as hereinafter defined) to purchase its own shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and which is recognised by the Securities and Futures Commission of Hong Kong (the “**Securities and Futures Commission**”) and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the rules and regulations of the Securities and Futures Commission and the Stock Exchange or of any other stock exchange as amended from time to time;
- (b) the total number of shares of the Company to be purchased or agreed conditionally or unconditionally to be purchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution) and the approval pursuant to paragraph (a) shall be limited accordingly; and
- (c) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

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## NOTICE OF ANNUAL GENERAL MEETING

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8. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of resolutions 6 and 7 as set out in the notice convening this meeting, the general mandate granted to the Directors pursuant to resolution 6 to exercise the powers of the Company to issue, allot and deal with the shares of the Company be and is hereby extended by the addition thereto the aggregate number of shares of the Company to be repurchased by the Company under the authority granted pursuant to resolution 7, provided that such number in aggregate shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution).”

To consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

9. **“THAT**

(a) conditional upon The Stock Exchange of Hong Kong Limited granting the listing of and permission to deal in an aggregate of 1,493,141 new shares of the Company (the **“Connected Restricted Shares”**), the directors of the Company (the **“Directors”**) be and are hereby granted a specific mandate (the **“Specific Mandate”**) for the issue and allotment of the Connected Restricted Shares to Computershare Hong Kong Trustees Limited to hold on trust for selected participants who are Directors and/or directors of certain subsidiaries of the Company, accordingly connected persons (as defined in Chapter 14A of the Listing Rules) of the Company, and are selected by the Board for participation in the restricted share award scheme (the **“Scheme”**) adopted by the Company on January 15, 2018 (a copy of which has been produced at the Meeting marked “A” and signed by the chairman of the Meeting for the purpose of identification); and

(b) any one of the Directors be and is hereby authorised for and on behalf of the Company to take any action and execute such other documents as he considers necessary, desirable or expedient to carry out or give effect to or otherwise in connection with the issue and allotment of the Connected Restricted Shares under the Specific Mandate and the transactions contemplated thereunder.”

10. **“THAT** the grant of 945,200 Connected Restricted Shares pursuant to the Scheme to Dr. Zhisheng Chen be and is hereby approved and confirmed.”

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## NOTICE OF ANNUAL GENERAL MEETING

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11. “**THAT** the grant of 263,679 Connected Restricted Shares pursuant to the Scheme to Dr. Weichang Zhou be and is hereby approved and confirmed.”
12. “**THAT** the grant of 2,467 Connected Restricted Shares pursuant to the Scheme to Mr. William Robert Keller be and is hereby approved and confirmed.”
13. “**THAT** the grant of 4,934 Connected Restricted Shares pursuant to the Scheme to Mr. Teh-Ming Walter Kwauk be and is hereby approved and confirmed.”
14. “**THAT** the grant of 4,934 Connected Restricted Shares pursuant to the Scheme to Mr. Kenneth Walton Hitchner III be and is hereby approved and confirmed.”
15. “**THAT** the grant of 156,202 Connected Restricted Shares pursuant to the Scheme to Mr. Jian Dong be and is hereby approved and confirmed.”
16. “**THAT** the grant of 98,305 Connected Restricted Shares pursuant to the Scheme to Mr. Angus Scott Marshall Turner be and is hereby approved and confirmed.”
17. “**THAT** the grant of 17,420 Connected Restricted Shares pursuant to the Scheme to Mr. Brendan McGrath be and is hereby approved and confirmed.”

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

Hong Kong, May 17, 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.

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## NOTICE OF ANNUAL GENERAL MEETING

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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 3:00 p.m. on Monday, June 14, 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, June 10, 2021 to Wednesday, June 16, 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, June 9, 2021.
5. Detailed information of all resolutions as set out in the Notice of Annual General Meeting is included in the circular to be despatched to shareholders of the Company on May 17, 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 ([www.wuxibiologics.com](http://www.wuxibiologics.com)) and the website of Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)).
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, 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.*