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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 AMENDMENTS TO THE SCHEME
AND THE PROGRAM**
- (3) PROPOSED ADOPTION OF SCHEME MANDATE LIMIT**
- (4) PROPOSED AMENDMENTS TO THE EXISTING MEMORANDUM
AND ARTICLES OF ASSOCIATION**
- (5) PROPOSED GRANT OF GENERAL MANDATES
TO ISSUE SHARES AND TO REPURCHASE SHARES
AND**
- (6) NOTICE OF ANNUAL GENERAL MEETING**

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 Thursday, June 15, 2023 at 10:00 a.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 17/F, Far East Finance Centre, 16 Harcourt Road, 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 10:00 a.m. on Tuesday, June 13, 2023, 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) and the Company (www.wuxibiologics.com).

* For identification purpose only

May 23, 2023

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DEFINITIONS

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

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| “Amendment Date” | the date on which the proposed amendments to the Scheme and the Program, summaries of the principal amended terms of which are set out in Appendix II and Appendix III to this circular, are approved by Shareholders |
| “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 Thursday, June 15, 2023 at 10:00 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 63 to 69 of this circular, or any adjournment thereof |
| “Articles of Association” | the second amended and restated 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 |
| “Director(s)” | the director(s) of the Company |
| “Eligible Participant(s)” | any director or employee (whether full-time or part-time) of the Company or any of its subsidiaries, or any person who is granted the Restricted Shares under the Scheme and/or the Program (as the case may be) as an inducement to enter into employment contract with the Company or any of its subsidiaries |

DEFINITIONS

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| “Existing Memorandum and Articles of Association” | the second amended and restated memorandum and articles of association of the Company currently in force |
| “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 |
| “Latest Practicable Date” | May 19, 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular |
| “Listing Rules” | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time |
| “New Memorandum and Articles of Association” | the third amended and restated memorandum and articles of association of the Company proposed to be adopted at the Annual General Meeting, which contains the proposed amendments to the Existing Memorandum and Articles of Association as set out in Appendix IV to this circular |
| “Nomination Committee” | the nomination committee of the Board |
| “Pre-IPO Share Option Scheme” | the pre-IPO share option scheme adopted by the Company on January 5, 2016, and amended on August 10, 2016 |
| “Program” | the Share Award Scheme for Global Partner Program adopted by the Board on June 16, 2021 and proposed to be amended and restated on the Amendment Date |
| “Remuneration Committee” | the remuneration committee of the Board |
| “Restricted Share(s)” | any Share(s) that may be offered by the Company to any Eligible Participants pursuant to the Scheme and/or the Program |
| “RMB” | Renminbi, the lawful currency of the PRC |

DEFINITIONS

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| “Scheme” | the Restricted Share Award Scheme adopted by the Board on January 15, 2018 and proposed to be amended and restated on the Amendment Date |
| “Scheme Mandate Limit” | the maximum number of Shares which may be issued and allotted in respect of all Restricted Shares to be granted under the Scheme and the Program and all share awards and share options to be granted under any other Share Scheme(s) |
| “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 |
| “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 7 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 8 of the notice of the Annual General Meeting |
| “Share Scheme(s)” | means share option schemes and/or share award schemes involving issuance of new Shares adopted and to be adopted by the Company from time to time |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |

DEFINITIONS

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| “Takeovers Code” | the Code on Takeovers and Mergers approved by the Securities and Futures Commission as amended from time to time |
| “US\$” | United States dollars, the lawful currency of the United States of America |
| “2022 AGM” | the annual general meeting of the Company held on June 10, 2022 |
| “2022 General Mandate” | the general mandate granted by the Shareholders to the Directors to issue, allot and otherwise deal with new Shares at the 2022 AGM |
| “%” | per cent. |

LETTER FROM THE BOARD



WUXI BIOLOGICS (CAYMAN) INC.

藥明生物技術有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2269)

Executive Directors:

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

Non-executive Directors:

Dr. Ge Li (*Chairman*)
Mr. Yibing Wu
Mr. Yanling Cao

Independent Non-executive Directors:

Mr. William Robert Keller
Mr. Kenneth Walton Hitchner III
Mr. Jackson Peter Tai

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:*

5/F, Manulife Place
348 Kwun Tong Road
Kowloon
Hong Kong

May 23, 2023

To the Shareholders

Dear Sir/Madam,

- (1) PROPOSED RE-ELECTION OF RETIRING DIRECTORS**
- (2) PROPOSED AMENDMENTS TO THE SCHEME
AND THE PROGRAM**
- (3) PROPOSED ADOPTION OF SCHEME MANDATE LIMIT**
- (4) PROPOSED AMENDMENTS TO THE EXISTING MEMORANDUM
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LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information regarding, among other things, (i) the proposed amendments to the Scheme and the Program; (ii) the proposed adoption of Scheme Mandate Limit; (iii) the proposed amendments to the Existing Memorandum and Articles of Association; and (iv) 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 each of the retiring Directors, and (ii) 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, Dr. Ge Li, Dr. Zhisheng Chen and Mr. Kenneth Walton Hitchner III shall retire by rotation as Directors at the Annual General Meeting pursuant to Article 16.18 of the Articles of Association. In addition, Mr. Jackson Peter Tai who has been appointed by the Board on May 6, 2023 shall hold office only until the next following general meeting pursuant to Article 16.2 of the Articles of Association. All of the above Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

Mr. Kenneth Walton Hitchner III and Mr. Jackson Peter Tai, 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. Kenneth Walton Hitchner III and Mr. Jackson Peter Tai has confirmed that they will continue to devote sufficient time for discharge of their functions and responsibilities as an independent non-executive Director. With their background and experience, Mr. Kenneth Walton Hitchner III and Mr. Jackson Peter Tai are fully aware of the responsibilities and expected time involvement in the Company.

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, 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.

LETTER FROM THE BOARD

The Nomination Committee has recommended to the Board, and the Board has accepted such recommendation, on the re-election of Dr. Ge Li, Dr. Zhisheng Chen, Mr. Kenneth Walton Hitchner III and Mr. Jackson Peter Tai, who are due to retire at the Annual General Meeting, as non-executive Director, executive Director and independent non-executive Directors, respectively.

The biographies of the above retiring Directors who seek for re-election at the Annual General Meeting, namely Dr. Ge Li, Dr. Zhisheng Chen, Mr. Kenneth Walton Hitchner III and Mr. Jackson Peter Tai, are set out in Appendix I to this circular.

3. PROPOSED AMENDMENTS TO THE SCHEME AND THE PROGRAM

The Company has three share schemes, namely (i) the Pre-IPO Share Option Scheme adopted on January 5, 2016 and amended on August 10, 2016, (ii) the Scheme adopted on January 15, 2018, and (iii) the Program adopted on June 16, 2021.

The Scheme is available to all employees of the Group above certain level of titles and the Program is catered to further reward and incentivize the Group's top employees who have significant contributions to the Group's business development and growth. Accordingly, the number of Restricted Shares to be granted under the Program and its value will be determined based on various performance-related considerations, such as the fulfillment by the respective selected participants under the Program of their individual performance targets as well as the overall business performance of the Group as a whole.

Pursuant to the conclusions to the consultation on the proposals to amend the Listing Rules relating to share schemes of listed issuers, Chapter 17 of the Listing Rules has been amended to govern both share option schemes and share award schemes with effect from January 1, 2023.

On April 28, 2023, the Board approved the proposed amendments to be made to each of the Scheme and the Program, summaries of the principal amended terms of which are set out in Appendix II and Appendix III of this circular, respectively, in order to bring the Scheme and the Program in alignment with the amended Chapter 17 of the Listing Rules and make certain minor housekeeping amendments to the Scheme and the Program for the purpose of clarifying existing practice and making consequential amendments.

Shareholders should note that no similar amendments are required to be made in relation to the Pre-IPO Share Option Scheme for the reason that all share options under the Pre-IPO Share Option Scheme were granted prior to the listing of the Shares of the Company and no further share options can be granted thereunder. Accordingly, the Pre-IPO Share Option Scheme, and the share options already granted thereunder, are unaffected by the amendments to Chapter 17 of the Listing Rules.

LETTER FROM THE BOARD

Proposed Amendments to the Scheme

The key changes entailed by the proposed amendments to the Scheme are set out below:

- (a) to refresh the scheme limit of the Scheme as at Amendment Date, pursuant to which the total number of Restricted Shares underlying all grants to be made pursuant to the Scheme shall not exceed in total three per cent. (3%) of the total number of Shares in issue as at the Amendment Date, and for the avoidance of doubt, Restricted Shares granted under the Scheme prior to the refreshment on the Amendment Date will not be counted for the purpose of calculating the scheme limit of the Scheme;
- (b) to adopt the Scheme Mandate Limit to all Share Schemes (which includes the Scheme and the Program);
- (c) to require Shareholders' approval for refreshment of Scheme Mandate Limit within a three-year period from the date of Shareholders' approval for the last refreshment, with the relevant persons abstaining from voting in compliance with the Listing Rules;
- (d) to require approval by the Shareholders for any grant of Restricted Shares to an individual participant if the number of Shares which may be issued and allotted in respect of all share awards and share options granted under the Share Schemes (which includes the Scheme and the Program) will exceed 1% of the Shares in issue in any 12-month period up to and including the date of such grant, with the relevant persons abstaining from voting in compliance with the Listing Rules;
- (e) to require approval by the Shareholders for any grant of Restricted Shares to Directors (other than independent non-executive Directors) and chief executive of the Company, or any of their respective associates, if the number of Shares which may be issued and allotted in respect of all share awards granted under the Share Schemes (which includes the Scheme and the Program) will exceed 0.1% of the Shares in issue in any 12-month period up to and including the date of such grant, with the relevant persons abstaining from voting in compliance with the Listing Rules;
- (f) to require approval by the Shareholders for any grant of Restricted Shares to independent non-executive Directors or substantial Shareholders, or any of their respective associates, if the number of Shares which may be issued and allotted in respect of all share awards and share options granted under the Share Schemes (which includes the Scheme and the Program) will exceed 0.1% of the Shares in issue in any 12-month period up to and including the date of such grant, with the relevant persons abstaining from voting in compliance with the Listing Rules;

LETTER FROM THE BOARD

- (g) to include a minimum vesting period of 12 months or such other period as the Listing Rules may prescribe or permit;
- (h) to include the mechanism of cancellation of Restricted Shares granted;
- (i) to require approval by the Shareholders for any alterations to the terms of the Scheme which are of a material nature relating to specified matters set out in Rule 17.03 of the Listing Rules;
- (j) to include the necessary carve-outs on the transferability of any Restricted Shares under the Scheme;
- (k) to require the trustee of the Scheme holding unvested Restricted Shares to abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given;
- (l) to specify that the Board may in its absolute discretion determine the amount payable by the Eligible Participant upon the grant of Restricted Shares under the Scheme pursuant to the notice of share award; and
- (m) to include other amendments for house-keeping purposes and to better align the wordings with that of the Listing Rules.

A summary of the principal amended terms of the Scheme is set out in Appendix II to this circular.

Proposed Amendments to the Program

The key changes entailed by the proposed amendments to the Program are set out below:

- (a) to refresh the scheme limit of the Program as at Amendment Date, pursuant to which the total number of Restricted Shares underlying all grants to be made pursuant to the Program shall not exceed in total three per cent. (3%) of the total number of Shares in issue as at the Amendment Date, and for the avoidance of doubt, Restricted Shares granted under the Program prior to the refreshment on the Amendment Date will not be counted for the purpose of calculating the scheme limit of the Program;
- (b) to adopt the Scheme Mandate Limit to all Share Schemes (which includes the Scheme and the Program);

LETTER FROM THE BOARD

- (c) to require Shareholders' approval for refreshment of Scheme Mandate Limit within a three-year period from the date of Shareholders' approval for the last refreshment, with the relevant persons abstaining from voting in compliance with the Listing Rules;
- (d) to require approval by the Shareholders for any grant of Restricted Shares to an individual participant if the number of Shares which may be issued and allotted in respect of all share awards and share options granted under the Share Schemes (which includes the Scheme and the Program) will exceed 1% of the Shares in issue in any 12-month period up to and including the date of such grant, with the relevant persons abstaining from voting in compliance with the Listing Rules;
- (e) to require approval by the Shareholders for any grant of Restricted Shares to Directors (other than independent non-executive Directors) and chief executive of the Company, or any of their respective associates, if the number of Shares which may be issued and allotted in respect of all share awards granted under the Share Schemes (which includes the Scheme and the Program) will exceed 0.1% of the Shares in issue in any 12-month period up to and including the date of such grant, with the relevant persons abstaining from voting in compliance with the Listing Rules;
- (f) to require approval by the Shareholders for any grant of Restricted Shares to independent non-executive Directors or substantial Shareholders, or any of their respective associates, if the number of Shares which may be issued and allotted in respect of all share awards and share options granted under the Share Schemes (which includes the Scheme and the Program) will exceed 0.1% of the Shares in issue in any 12-month period up to and including the date of such grant, with the relevant persons abstaining from voting in compliance with the Listing Rules;
- (g) to include a minimum vesting period of 12 months or such other period as the Listing Rules may prescribe or permit;
- (h) to include the mechanism of cancellation of Restricted Shares granted;
- (i) to require approval by the Shareholders for any alterations to the terms of the Program which are of a material nature relating to specified matters set out in Rule 17.03 of the Listing Rules;
- (j) to include the necessary carve-outs on the transferability of any Restricted Shares under the Program;

LETTER FROM THE BOARD

- (k) to require the trustee of the Program holding unvested Restricted Shares to abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given;
- (l) to specify that the Board may in its absolute discretion determine the amount payable by the Eligible Participant upon the grant of Restricted Shares under the Program pursuant to the notice of share award; and
- (m) to include other amendments for house-keeping purposes and to better align the wordings with that of the Listing Rules.

A summary of the principal amended terms of the Program is set out in Appendix III to this circular.

Purposes of the Scheme and the Program

The purposes of the Scheme are to (i) recognize the contributions by the Eligible Participants; (ii) encourage, motivate and retain the Eligible Participants, whose contributions are beneficial to the continual operation, development and long-term growth of the Group; and (iii) provide additional incentive for the Eligible Participants to achieve performance goals, with a view to achieving the objectives of increasing the value of the Group and aligning the interests of the Eligible Participants to the Shareholders through ownership of Shares.

The purposes of the Program are to (i) incentivize and reward the Eligible Participants who have significant influence on the performance for the Group, with incentives highly related to the business and individual performance in order to drive the Group's business growth; (ii) promote the long-term growth and development of the Group by aligning the interests of the management to the Shareholders; and (iii) strengthen the bonding among the Eligible Participants to achieve performance goals collectively to enhance the business results and market value of the Group.

Eligible Participants

In determining the basis of eligibility of each Eligible Participant, the Board will take into consideration matters including but without limitation the present and future contribution of the relevant Eligible Participant, the performance of the relevant Eligible Participant as well as the Group's overall business objectives and future development plan. The scope of Eligible Participants is to allow the Company to incentivize and reward such persons who are expected to have a long-term relationship with the Group, so that they may participate in the growth of the Group and continue to contribute to the benefit of the Group.

LETTER FROM THE BOARD

Vesting period

The vesting period of the Restricted Shares granted under each of the Scheme and the Program shall not be less than 12 months, whilst any grants to the Eligible Participants may be subject to a shorter vesting period under specific circumstances as set out in the Scheme and the Program, respectively. In this connection, the Board and the Remuneration Committee are of the view that the 12-month vesting period should be allowed to be relaxed in certain circumstances given that such is in line with customary market practice, and allows flexibility for the Board to exercise discretion to formulate its own talent recruitment and retention strategies in response to the changing market conditions and industry competition, and thus should be provided with flexibility to reward exceptional performers with an accelerated vesting schedule, or under exceptional circumstances where justified, all of which aligns with the purposes of the Scheme and the Program.

Basis of determining the purchase price of Restricted Shares granted under the Scheme and the Program

No purchase price is to be paid by the Eligible Participants upon vesting of the Restricted Shares granted under the Scheme or the Program, unless as determined by the Board otherwise in its absolute discretion at the relevant time for each individual grant of the Restricted Shares. The basis of determining the purchase price of the Restricted Shares (where applicable) aligns with the purposes of the Scheme and the Program as the Eligible Participants might receive a share award at a more competitive price than purchasing the Shares in the market, thus incentivizing them to contribute to the Group's development.

Performance targets and clawback mechanism

Notwithstanding that the proposed amendments to the Scheme and the Program do not stipulate that any Restricted Share offered thereunder must be subject to any performance targets, the Board has sole and absolute discretion to establish performance targets in relation to the granting of Restricted Shares under each of the Scheme and the Program in accordance with the criteria as set out in the proposed amendments to the Scheme and the Program.

Upon the occurrence of certain events in relation to an Eligible Participant, any unvested Restricted Share granted under the Scheme and/or the Program (as the case may be) will automatically lapse, unless the Board resolves otherwise at its sole discretion, and such Eligible Participant shall cease immediately to be entitled to all his/her rights and benefits to the unvested Restricted Shares under the Scheme and/or the Program (as the case may be). For details of the clawback mechanism of the Scheme and the Program, please refer to the paragraph headed "10. Clawback" in Appendix II and Appendix III to this circular, respectively.

LETTER FROM THE BOARD

The Board is of the view that the flexibility granted to the Directors to specify appropriate conditions, restrictions and/or limitations on a case-by-case basis in their absolute discretion when offering and/or vesting Restricted Shares to Eligible Participants could provide a more meaningful and functional means to achieve the purposes of the Scheme and the Program (whether as recognition of past contribution or as incentive to motivate, retain or attract suitable talents) in light of the particular circumstances of each offer of Restricted Shares under the Scheme and/or the Program (as the case may be).

Conditions precedent of the proposed amendments to the Scheme and the Program

The proposed amendments to the Scheme and the Program are conditional upon the passing of an ordinary resolution by the Shareholders to approve the adoption of Scheme Mandate Limit at the Annual General Meeting.

4. PROPOSED ADOPTION OF SCHEME MANDATE LIMIT

Existing Scheme Limit and Existing Program Limit

When the Scheme was adopted on January 15, 2018, the scheme limit pursuant to the Scheme approved by the Shareholders was 104,859,097 Shares (being 3% of the Shares in issue as at the date of adoption of the Scheme after taking into account the share subdivision which took effect on November 16, 2020) (the “**Existing Scheme Limit**”).

When the Program was adopted on June 16, 2021, the scheme limit pursuant to the Program approved by the Shareholders was 126,982,689 Shares (being 3% of the Shares in issue as at the date of adoption of the Program) (the “**Existing Program Limit**”).

Utilization of Existing Scheme Limit and Existing Program Limit

During the period from the date of adoption of the Scheme to the Latest Practicable Date, the Company had granted an aggregate of 124,961,288 Restricted Shares under the Scheme. The remaining number of Shares available for grant under the Scheme is 2,215,680 Shares (assuming all the Restricted Shares granted are fully vested and taken into account the Restricted Shares forfeited or cancelled in accordance with the terms of the Scheme), representing approximately 0.05% of the total issued share capital of the Company as at the Latest Practicable Date.

During the period from the date of adoption of the Program to the Latest Practicable Date, the Company had granted an aggregate of 10,716,123 Restricted Shares under the Program. The remaining number of Shares available for grant under the Program is 116,502,927 Shares

LETTER FROM THE BOARD

(assuming all the Restricted Shares granted are fully vested and taken into account the Restricted Shares forfeited or cancelled in accordance with the terms of the Program), representing approximately 2.75% of the total issued share capital of the Company as at the Latest Practicable Date.

Reasons for Adoption of Scheme Mandate Limit

The purposes of the Scheme are to reward and incentivize the Group's employees whose contributions are beneficial to the continual operation, development and long-term growth of the Group. In order to provide the necessary headroom to allow the Company to continue to provide incentives for the Eligible Participants under the Scheme, the Board intends to refresh the Existing Scheme Limit, pursuant to which the total number of Restricted Shares underlying all grants to be made pursuant to the Scheme shall not exceed in total three per cent. (3%) of the total number of Shares in issue as at the Amendment Date.

On the other hand, pursuant to the Frequently Asked Questions No. 100-2022 issued by the Stock Exchange, it is required for a listed issuer to amend all its existing share schemes involving the issue of new shares when it refreshes its scheme mandate for any one share scheme. Accordingly, the Board's intended refreshment of the Existing Scheme Limit would mandate the Company to replace both the Existing Scheme Limit and the Existing Program Limit with the adoption of Scheme Mandate Limit for all Share Schemes, notwithstanding that the Company currently has no plans to make further grants under the Program representing more than 2.75% of the total issued share capital of the Company as at the date of adoption of the Program.

In light of the above, and for the purpose of complying with guidance from the Stock Exchange, the Board proposes to adopt the Scheme Mandate Limit, pursuant to which the total number of Shares underlying all share awards to be granted under the Scheme and the Program and all share awards and share options to be granted under any other Share Scheme(s) shall not exceed in total six per cent. (6%) of the total number of Shares in issue as at the Amendment Date. As at the Latest Practicable Date, save for the Pre-IPO Share Option Scheme, the Scheme and the Program, the Company has no other share award scheme or share option scheme currently in force.

The Board considers that the adoption of Scheme Mandate Limit is in the interests of the Company and the Shareholders as a whole as it provides more flexibility for the Company to incentivize Eligible Participants for their future contributions to the Group and/or to reward them for their past contributions, and to maintain on-going relationships with them, as well as to comply with the guidance from the Stock Exchange.

LETTER FROM THE BOARD

As at the Latest Practicable Date, there were 4,230,237,102 Shares in issue. If the Scheme Mandate Limit is adopted and assuming that there is no change in the issued share capital of the Company between the period from the Latest Practicable Date and the Annual General Meeting, the maximum number of Shares which may be issued upon exercise of all Restricted Shares to be granted under the Scheme and the Program and all share awards and share options to be granted under any other Share Scheme(s) will be 253,814,226 Shares, being 6% of the Shares in issue as at the Latest Practicable Date.

Application will be made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares that may be issued and allotted pursuant to the Restricted Shares that may be granted in accordance with the terms and conditions of the Scheme and the Program.

5. PROPOSED AMENDMENTS TO THE EXISTING MEMORANDUM AND ARTICLES OF ASSOCIATION

The Board has proposed to amend certain provisions of the Existing Memorandum and Articles of Association by way of adoption of the New Memorandum and Articles of Association in order to bring the Existing Memorandum and Articles of Association to reflect the core shareholder protection standards as set out in the amendments made to the Appendix 3 to the Listing Rules which became effective on January 1, 2022 and the applicable laws of the Cayman Islands.

The legal advisers to the Company as to Hong Kong laws and the Cayman Islands laws have respectively confirmed that the New Memorandum and Articles of Association comply with the applicable requirements of the Listing Rules, and are not inconsistent with the laws of the Cayman Islands. The Company also confirms that there is nothing unusual about the New Memorandum and Articles of Association from the perspective of a Cayman Islands company listed on the Stock Exchange.

The adoption of the New Memorandum and Articles of Association is subject to the approval of the Shareholders by way of a special resolution at the Annual General Meeting to become effective.

A summary of the proposed amendments to the Existing Memorandum and Articles of Association is set out in Appendix IV to this circular.

LETTER FROM THE BOARD

6. PROPOSED GRANT OF GENERAL MANDATE TO ISSUE SHARES

The 2022 General Mandate previously granted to the Directors to issue Shares at the 2022 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 7 of the notice of the Annual General Meeting (i.e. not exceeding a total of 423,023,710 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 7) of the Shares (save for the Restricted Shares to be issued and granted under the Scheme and the Program).

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.

7. PROPOSED GRANT OF GENERAL MANDATE TO REPURCHASE SHARES

The general mandate previously granted to the Directors to repurchase Shares at the 2022 AGM 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 8 of the notice of the Annual General Meeting (i.e. not exceeding a total of 423,023,710 Shares as at the Latest Practicable Date on the basis that no further Shares are issued or repurchased before the Annual General Meeting).

LETTER FROM THE BOARD

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 V to this circular.

8. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 63 to 69 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. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolutions to be proposed at the Annual General Meeting.

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) and the Company (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 17/F, Far East Finance Centre, 16 Harcourt Road, 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 10:00 a.m. on Tuesday, June 13, 2023, 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.

9. RESPONSIBILITY STATEMENT

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

LETTER FROM THE BOARD

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.

10. RECOMMENDATION

The Directors consider that the proposed re-election of retiring Directors, the proposed amendments to the Scheme and the Program, the proposed adoption of Scheme Mandate Limit, the proposed amendments to the Existing Memorandum and Articles of Association, 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.

11. GENERAL

None of the Directors is a trustee of the Scheme or the Program, nor has any direct or indirect interest in the trustees of the Scheme and the Program (if any).

Copies of the rules of the proposed amended and restated Scheme and the proposed amended and restated Program will be published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.wuxibiologics.com) for display for a period of not less than 14 days before the Annual General Meeting, and the same will be available for inspection at the Annual General Meeting.

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

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) Dr. Ge Li — Non-executive Director

Dr. Ge Li (李革), aged 56, was appointed as the chairman and non-executive Director in February 2014. Dr. Li is primarily responsible for providing overall guidance on the business, strategy and corporate development of the Group. He founded the Group in May 2010. Dr. Li has been serving as the chairman and the chief executive officer since December 2000 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), and has been responsible for the overall management of its business, strategy and corporate development. From August 2007 to December 2015, Dr. Li served as the chairman and the chief executive officer of WuXi PharmaTech (Cayman) Inc. From May 1993 to December 2000, Dr. Li was one of the founding scientists and latest served as a research manager of Pharmacoepia Inc. Dr. Li obtained a Ph.D. degree in organic chemistry from Columbia University in the United States in February 1994.

Dr. Li is a director of WuXi Biologics Holdings Limited, a substantial Shareholder of the Company.

Dr. Li is a substantial Shareholder of the Company. Dr. Li entered into an acting-in-concert agreement dated June 30, 2016 with Mr. Zhaohui Zhang and Mr. Xiaozhong Liu to acknowledge and confirm their acting-in-concert relationship in relation to the Company. Each of Dr. Li, Mr. Zhaohui Zhang and Mr. Xiaozhong Liu is a substantial Shareholder of the Company.

Saved as disclosed above, Dr. Li 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.

Dr. Li 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.

Save for disclosed herein, Dr. Li does not have any relationships with any other Directors or senior management or substantial Shareholder or controlling Shareholder of the Company.

As at the Latest Practicable Date, Dr. Li was deemed to be interested in 584,191,133 Shares within the meaning of Part XV of the SFO.

Dr. Li is not entitled to any remuneration for his services as a non-executive Director.

There is no information which is discloseable nor is/was Dr. Li 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. Li's re-election that need to be brought to the attention of the Shareholders.

(2) Dr. Zhisheng Chen — Executive Director

Dr. Zhisheng Chen (陳智勝), aged 50, was appointed as an executive Director and chief executive officer in February 2014 and January 2016, respectively. He joined the Group in June 2011 and also serves as a director of most subsidiaries of the Company. From June 2011 to January 2016, Dr. Chen served as a senior vice president of WuXi AppTec (Shanghai) Co., Ltd. (上海藥明康德新藥開發有限公司), and was responsible for the management of biologics development and manufacturing. From August 2008 to June 2011, Dr. Chen served as the chief operating officer of Shanghai Celgen Bio-Pharmaceutical Co., Ltd. (上海賽金生物醫藥有限公司), and was responsible for the development, manufacturing and quality control of biologics. From November 2005 to August 2008, Dr. Chen served as a director and senior engineering consultant of Eli Lilly and Company, a global pharmaceutical company listed on NYSE (stock code: LLY), and was responsible for running a clinical manufacturing facility and providing technical guidance to biologics development and manufacturing. From June 2000 to November 2005, Dr. Chen served as a process engineer and manager of Merck & Co. Inc., a pharmaceutical company listed on NYSE (stock code: MRK), and was responsible for providing technical support and trouble-shooting manufacturing issues of biologics and recombinant vaccines. Dr. Chen obtained a bachelor's degree in chemical engineering from Tsinghua University in June 1994 and a Ph.D. degree in chemical engineering from University of Delaware in June 2000. In November 2018, Dr. Chen was appointed by International Society for Pharmaceutical Engineering (ISPE) to serve on the International Board of Directors.

Save as disclosed above, Dr. Chen 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.

Dr. Chen 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.

Dr. Chen 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, Dr. Chen was deemed to be interested in 12,707,878 Shares, 102,532,000 underlying Shares in respect of share options granted to him under the share option scheme of the Company, 4,988,270 Restricted Shares granted to him under the Scheme entitling him to receive 4,988,270 Shares upon vesting and 877,694 Restricted Shares granted to him under the Program entitling him to receive 877,694 Shares upon vesting within the meaning of Part XV of the SFO.

Dr. Chen is entitled to a director's and chief executive officer's salary of RMB3,000,000 per annum and a discretionary bonus, which is determined by the Board at the recommendation of the Remuneration Committee with reference to the Company's performance, the prevailing market condition and his performance.

There is no information which is discloseable nor is/was Dr. Chen 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. Chen's re-election that need to be brought to the attention of the Shareholders.

(3) Mr. Kenneth Walton Hitchner III — Independent Non-executive Director

Mr. Kenneth Walton Hitchner III, aged 63, was appointed as an independent non-executive Director on June 9, 2020. He has more than 30 years of experience in corporate finance. He served as the Chairman and Chief Executive Officer of The Goldman Sachs Group, Inc. in Asia Pacific Ex-Japan before his retirement in 2019. He was also a member of Goldman Sachs' Management Committee and co-chaired its Asia Pacific Management Committee. Previously, Mr. Hitchner served as President of Goldman Sachs in Asia Pacific Ex-Japan from 2013 to 2017. Prior to relocating to Hong Kong, he was global head of Goldman Sachs' Healthcare Banking Group and global co-head of its Technology, Media and Telecom Group. He was named managing director in 2000 and partner in 2002. He became head of the global medical device banking practice in 1998 and head of the global pharmaceutical banking practice in 2001. He began his career with Goldman Sachs' Corporate Finance Department in 1991. Mr. Hitchner has been serving as a director of the alternative investment management firm Elements Advisors SPV since May 2020.

He has joined Global Advisory Board of the global early-stage venture capitalist Antler since January 2021. He has also been serving as a senior advisor of WuXi AppTec since February 2020. From January 2021 to October 2022, Mr. Hitchner served as an independent non-executive director of Provident Acquisition Corp., a company listed on NASDAQ and delisted in October 2022. Mr. Hitchner has also been serving as the chairman of the board of HH&L Acquisition Co., a company listed on the New York Stock Exchange (stock code: HHLA), since February 11, 2021. Mr. Hitchner has been serving as a non-executive director of CStone Pharmaceuticals (基石藥業), a company listed on the Main Board of the Stock Exchange (stock code: 2616), since December 10, 2021. Mr. Hitchner obtained a bachelor's degree in arts from the University of Colorado in 1982 and a master's degree in business administration (MBA) as a merit fellow from Columbia University Business School in 1992.

Save as disclosed above, Mr. Hitchner 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. Hitchner 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. Hitchner 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. Hitchner was interested in 94,926 Shares and 8,291 Restricted Shares granted to him under the Scheme entitling him to receive 8,291 Shares upon vesting within the meaning of Part XV of the SFO.

Mr. Hitchner is entitled to a director's remuneration of HK\$1,200,000 per annum as determined by the Board at the recommendation of the Remuneration Committee with reference to the prevailing market conditions and his performance, time commitment and responsibilities with the Company. The remuneration may be paid in the form of cash or restricted shares, or a combination of both (less any necessary statutory deductions), as agreed by the parties from time to time.

There is no information which is discloseable nor is/was Mr. Hitchner 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. Hitchner's re-election that need to be brought to the attention of the Shareholders.

(4) Mr. Jackson Peter Tai — Independent Non-executive Director

Mr. Jackson Peter Tai, aged 72, was appointed as an independent non-executive Director on May 6, 2023. Mr. Tai has over 48 years of extensive experience in the banking, pharmaceutical and other industries. He held various key positions in DBS Group Holdings Limited (“**DBS Group**”) and DBS Bank Limited (“**DBS Bank**”), including Vice Chairman and Chief Executive Officer of DBS Group and DBS Bank from 2002 to 2007, President and Chief Operating Officer of DBS Group and DBS Bank from 2001 to 2002, Chief Financial Officer of DBS Bank from 1999 to 2001. He was also a director of DBS Bank (China) Limited from 2007 to 2008. From November 2013 to May 2023, Mr. Tai served as an independent non-executive director of Eli Lilly and Company, a company whose shares are listed on the New York Stock Exchange (stock symbol: LLY). From September 2016 to May 2023, Mr. Tai served as an independent non-executive director of HSBC Holdings plc (“**HSBC**”), a company whose shares are listed on the London Stock Exchange (stock symbol: HSBA) and the Main Board of the Stock Exchange (stock symbol: 0005), as well as the chairman of HSBC’s Group Risk Committee. He worked for 25 years in the investment banking division of J.P. Morgan & Co. Incorporated from 1974 to 1999, holding roles such as Chairman of Asia-Pacific Management Committee and Head of Japan Capital Markets.

Mr. Tai currently serves as a non-executive director of Mastercard Incorporated, a company whose shares are listed on the New York Stock Exchange (stock symbol: MA) since September 2008. Mr. Tai’s other previous non-executive roles include Singapore Airlines Limited, Bank of China Limited, Russell Reynolds Associates, Koninklijke Philips N.V., Canada Pension Plan Investment Board, ING Groep N.V., CapitaLand Limited, Singapore Telecommunications Limited and Jones Lang LaSalle Inc. Currently, Mr. Tai is a member of Harvard Business School Asia-Pacific Advisory Board and of the boards of The Metropolitan Opera, New York Philharmonic and Rensselaer Polytechnic Institute.

Mr. Tai obtained a bachelor of science degree from Rensselaer Polytechnic Institute in 1972 and a master’s degree in business administration (MBA) from Harvard Business School in 1974.

Save as disclosed above, Mr. Tai 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. Tai has entered 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 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 Articles of Association.

Mr. Tai 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. Tai did not have any interests in the Shares or underlying Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Mr. Tai is entitled to a director's remuneration of HK\$1,200,000 per annum as determined by the Board with reference to Mr. Tai's relevant experience and qualifications, his duties and responsibilities, the prevailing market conditions and the recommendation from the Remuneration Committee. The remuneration may be paid in the form of cash or Restricted Shares, or a combination of both (less any necessary statutory deductions), as agreed by the parties from time to time.

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

The following is a summary of the principal amended terms of the Scheme proposed to be adopted at the Annual General Meeting. It does not form part of, nor is it intended to be part of the rules of the Scheme. The Directors reserve the right at any time prior to the Annual General Meeting to make such amendments to the Scheme as they may consider necessary or appropriate provided that such amendments do not conflict with any material aspects with the summary in this Appendix.

1. Purposes of the Scheme

The purposes of the Scheme are to (i) recognize the contributions by the Eligible Participants; (ii) encourage, motivate and retain the Eligible Participants, whose contributions are beneficial to the continual operation, development and long-term growth of the Group; and (iii) provide additional incentive for the Eligible Participants to achieve performance goals, with a view to achieving the objectives of increasing the value of the Group and aligning the interests of the Eligible Participants to the Shareholders through ownership of Shares.

2. Administration of the Scheme

The Scheme shall be subject to the administration of the Board and the trustee of the Scheme in accordance with the terms of the Scheme and the trust deed entered into between the Company and the trustee of the Scheme. The decision of the Board regarding the administration and operation of the Scheme shall be final and binding on all parties. The Board has the power to administer the Scheme, including the power to interpret the rules of the Scheme, and the terms of the share awards granted under the Scheme.

3. Determination of Selected Participants

The Board may, at its sole discretion, determine which Eligible Participant(s) shall be entitled to receive grants of Restricted Shares under the Scheme, together with the number of Shares to which each Eligible Participant shall be entitled, and make the relevant grant of Restricted Shares to the selected participants under the Scheme subject to such conditions as the Board may deem appropriate at its discretion.

In determining the selected participants under the Scheme, assessment criteria include, among others, time commitment, performance, background, responsibilities or employment conditions according to the prevailing market practice and industry standard and the length of engagement with the Group.

4. Scheme Mandate Limit and Maximum Number of Shares to be Granted under the Scheme

- (i) The maximum number of Restricted Shares underlying all grants to be made pursuant to the Scheme shall not exceed in total three per cent. (3%) of the total number of Shares in issue as at the Amendment Date, and for the avoidance of doubt, Restricted Shares granted under the Scheme prior to the refreshment on the Amendment Date will not be counted for the purpose of calculating the scheme limit of the Scheme.
- (ii) The maximum number of new Shares which may be issued and allotted in respect of all share options and share awards to be granted under all of the Share Scheme(s) shall not exceed the Scheme Mandate Limit, pursuant to which the total number of Shares underlying all share awards to be granted under the Scheme and all share awards and share options to be granted under any other Share Scheme(s) shall not exceed in total six per cent. (6%) of the total number of Shares in issue as at the Amendment Date.
- (iii) The Company may seek the approval from its Shareholders at general meeting to refresh the Scheme Mandate Limit after three years from the Amendment Date or the date of Shareholders' approval for the last refreshment, such that the aggregate number of Shares underlying all grants to be made pursuant to the Scheme and all share awards and share options to be granted under other Share Scheme(s) shall not exceed 6% of the total number of issued Shares as of the date of approval of the refreshed limit. The Company may seek separate approval from its Shareholders at general meeting for granting any Restricted Shares under the Scheme beyond the Scheme Mandate Limit to Eligible Participants specifically identified by the Company before such approval is sought.

5. Individual Limits

- (i) Where any grant of share awards under the Scheme to an Eligible Participant would result in the Shares issued and to be issued in respect of all Restricted Shares, share options and share awards granted (excluding any Restricted Shares, share options and share awards lapsed in accordance with the terms of the Scheme or any other Share Scheme(s)) to such Eligible Participant in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the Shares in issue, such grant of share awards must be separately approved by Shareholders at general meeting with such Eligible Participant and his/her close associates (or his/her associates if the Eligible Participant is a connected person of the Company) abstaining from voting.

- (ii) Where any grant of share awards under the Scheme to any Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates would result in the Shares issued and to be issued in respect of all Restricted Shares and share awards granted (excluding any Restricted Shares and share awards lapsed in accordance with the terms of the Scheme or any other Share Scheme(s)) to such Eligible Participant in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue, such further grant of share awards under the Scheme must be approved by the Shareholders at general meeting in the manner required (with such Eligible Participant, his/her associates and all core connected persons of the Company abstaining from voting in favor at such general meeting), and subject to relevant requirements under the Listing Rules.
- (iii) Where any grant of share awards under the Scheme to an independent non-executive Director or substantial Shareholder of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all Restricted Shares, share options and share awards granted (excluding any Restricted Shares, share options and share awards lapsed in accordance with the terms of the Scheme or any other Share Scheme(s)) to such independent non-executive Director or substantial Shareholder of the Company in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue, such further grant of share awards under the Scheme must be approved by the Shareholders at general meeting in the manner required (with such Eligible Participant, his/her associates and all core connected persons of the Company abstaining from voting in favor at such general meeting), and subject to relevant requirements under the Listing Rules.

6. Grant of Restricted Shares

- (i) Any proposed grant of the Restricted Shares under the Scheme to any Director, chief executive or substantial Shareholder of the Company, or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is a proposed recipient of the grant of the Restricted Shares, in which case such Director shall abstain from such approval process).
- (ii) The Board may determine in its absolute discretion the amount (if any) payable on acceptance of share award and the period within which any such payments must be made, and such amounts (if any) and periods shall be set out in the notice of share award.

- (iii) For the purpose of determining the share price of each Restricted Share, it shall be the average closing price of the Company's Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant or such price (if any) as may be determined by the Board in its absolute discretion at the relevant time for each individual grant of Restricted Shares.

7. Vesting

- (i) The Board may, in respect of each share award, and subject to all applicable laws, rules and regulations, determine such performance targets, criteria or conditions for vesting of share awards in its sole and absolute discretion. Any such performance targets, criteria or conditions shall be set out in the notice of share award. The Board shall have regard to the purpose of the Scheme in making such determination, with any performance targets generally being in line with common key performance indicators in the industry of the Group, and taking into account the different roles and contributions of the Eligible Participants. The Board shall also establish robust mechanisms to ensure impartial evaluation of such indicators. For the avoidance of doubt, a share award shall not be subject to any performance targets, criteria or conditions unless set out in the relevant notice of share award.
- (ii) The vesting period in respect of any share award shall not be less than 12 months or such other period as the Listing Rules may prescribe or permit, provided that the vesting period may be less than 12 months from the date of grant (including on the date of grant) in the following circumstances:
- (a) grants of "make-whole" share awards to new Eligible Participants to replace share awards such Eligible Participants forfeited when leaving their previous employers;
 - (b) grants to an Eligible Participant whose employment is terminated due to death or disability or event of force majeure;
 - (c) grants of share awards which are subject to the fulfilment of performance targets pursuant to paragraph 7(i) in lieu of time-based vesting conditions;
 - (d) grants of share awards the timing of which is determined by administrative or compliance requirements not connected with the performance of the relevant Eligible Participant, in which case the vesting date may be adjusted to take account of the time from which the share award would have been granted if not for such administrative or compliance requirements;

- (e) grants of share awards with a mixed or accelerated vesting schedule such that the share awards vest evenly over a period of 12 months; or
- (f) grants of share awards with a total vesting and holding period of more than 12 months.

8. Lapse of Share Awards

- (i) Subject to the rules of the Scheme, in the event that (i) the selected participant under the Scheme ceases to be an Eligible Participant (otherwise than by reason of redundancy or by unilateral termination of employment by the Company without cause); (ii) the selected participant under the Scheme has been summarily dismissed by the Company; (iii) the selected participant under the Scheme has been convicted for any criminal offence involving his integrity or honesty; (iv) the selected participant under the Scheme has been charged, convicted or held liable for any offence under the relevant securities laws in the PRC, Hong Kong or any other applicable laws or regulations in force from time to time; (v) the selected participant under the Scheme has committed any material breach of any contract entered into between the selected participant under the Scheme on the one hand and any member of the Group on the other hand; (vi) the selected participant under the Scheme has become bankrupt or unable to pay his or her debts, or is subject to any bankruptcy or analogous proceedings or has made any arrangement or composition with his or her creditors generally; (vii) the selected participant under the Scheme is deceased or becomes mentally incapacitated; (viii) an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company (otherwise than for the purposes of, and followed by, an amalgamation or reconstruction in such circumstances that substantially the whole of the undertaking, assets and liabilities of the Company pass to a successor company); or (ix) the selected participant under the Scheme retires by agreement with the Company at any time prior to or on the vesting date, save as determined otherwise by the Board at its sole discretion, any unvested Restricted Shares will automatically lapse, and the selected participant under the Scheme shall cease immediately to be entitled to all his/her rights and benefits to the unvested Restricted Shares.
- (ii) The Restricted Shares lapsed in accordance with the terms of the Scheme (or the terms of any other Share Scheme(s)) will not be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

9. Assignment of Share Awards

- (i) Any share award granted under the Scheme are personal to such selected participant under the Scheme and cannot be assigned or transferred, except in circumstances where the prior written approval of the Board has been obtained and a waiver has been granted by the Stock Exchange where such transfer in compliance with requirements of the Listing Rules and provided that any such transferee shall be bound by the rules of the Scheme and all applicable notice of share awards as if the transferee were the selected participant.
- (ii) Any attempt by each selected participant under the Scheme to sell, transfer, charge, mortgage, grant, encumber or create any interest in favor of any third party over the unvested Restricted Shares to which he/she is entitled shall be null and void, except in accordance with the Scheme.

10. Clawback

Upon the occurrence of any of the following event (and whether an event is to be regarded as having occurred for the purpose of this paragraph is subject to the sole determination of the Board) in relation to a selected participant under the Scheme:

- (i) the selected participant's service or employment with the Group has been terminated by any member of the Group for cause. For the purposes of this paragraph, "cause" means: (i) dishonesty or serious misconduct or willful disobedience or non-compliance with the terms of his or her employment with any member of the Group or any lawful orders or instructions given by any member of the Group as the case may be; or (ii) doing anything in the conclusive opinion of the Board bringing the Company or the Group into material disrepute; or
- (ii) the selected participant has been convicted for any criminal offence involving his or her integrity or honesty,

then the Board may make a determination at its absolute discretion that: (A) any share awards granted to that selected participant (if such share awards are unvested) shall immediately lapse, (B) with respect to any Restricted Shares issued or transferred to that selected participant, the selected participant shall be required to transfer back to the Company or its nominee (1) the equivalent number of Shares, (2) an amount in cash equal to the market value of such Shares, or (3) a

combination of (1) and (2), and/or (C) with respect to any Restricted Shares held by the trustee of the Scheme for the benefit of the selected participant, those Restricted Shares shall no longer be held on trust for nor inure to the benefit of the selected participant.

11. Cancellation

- (i) Subject to Chapter 17 of the Listing Rules, the Board may at its absolute discretion cancel any outstanding Restricted Shares granted, provided that the Company and the selected participant under the Scheme mutually agree to cancel any of the Restricted Shares granted.
- (ii) Where the Company cancels any Restricted Shares granted to a selected participant under the Scheme and makes a new grant to the same selected participant, such new grant may only be made with available Scheme Mandate Limit approved by the Shareholders pursuant to paragraph 4. The Restricted Shares cancelled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

12. Duration and Termination

The Scheme commences on the adoption date of the Scheme (January 15, 2018) and remains valid and effective unless and until being terminated upon the expiry of the period of ten years from such date, unless terminated earlier by a resolution of the Board. Any termination shall be without prejudice to any subsisting rights of any selected participant under the Scheme. Notwithstanding the termination of the Scheme, the Scheme and the rules of the Scheme shall in all other respects continue to be valid and effective to the extent necessary to give effect to the vesting and exercise of any Restricted Shares granted prior to the termination of the Scheme.

13. Voting Rights

- (i) Neither the selected participant under the Scheme nor the trustee of the Scheme may exercise any of the voting rights in respect of any Restricted Shares that have not yet vested. Upon the Restricted Shares being vested and transferred to the relevant selected participant under the Scheme, each selected participant shall be entitled to exercise all voting rights in respect of such Restricted Shares.

- (ii) Share awards do not carry any right to vote at general meetings of the Company, nor any right to dividends, transfer or other rights. No selected participant under the Scheme shall enjoy any of the rights of a Shareholder by virtue of the grant of a share award unless and until the Shares underlying a share award are delivered to the selected participant pursuant to the vesting of such share award.

14. Alteration in the Capital Structure of the Company

In the event of any alteration in the capital structure of the Company by way of capitalization of profits or reserves, rights issue, sub-division or consolidation of the Shares or reduction of the share capital of the Company (other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party) after the Amendment Date, corresponding adjustments will be made to (i) the number of outstanding Restricted Shares that have been granted; and (ii) the purchase price of outstanding Restricted Shares provided that the adjustments shall be made in such manner as the Board determines to be fair and reasonable in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Scheme for the selected participants.

Any such adjustment shall be subject to a written confirmation from an independent financial advisor engaged by the Company or the auditor of the Company to the Board to be in their opinion fair and reasonable that: (i) any such adjustments should give each selected participant under the Scheme the same proportion (or rights in respect to the same proportion) of the equity capital of the Company, rounded to the nearest whole Share, as that to which that selected participant under the Scheme was previously entitled prior to such adjustments, and (ii) no such adjustments shall be made which would result in a Share being issued at less than its nominal value. The capacity of the independent financial advisor or the auditor of the Company (as the case may be) in paragraph 14 is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the selected participants under the Scheme.

To the extent not otherwise determined by the Board in accordance with paragraph 14, the methods of adjustment of the number of outstanding Restricted Shares are set out as below:

Capitalization issue

$$Q = Q_0 \times (1 + n)$$

Where: “ Q_0 ” represents the number of outstanding Restricted Shares prior to adjustment; “ n ” represents the ratio per Share resulting from the capitalization issue; “ Q ” represents the number of outstanding Restricted Shares after adjustment.

Rights issue

$$Q = Q_0 \times P_1 \times (1 + n) \div (P_1 + P_2 \times n)$$

Where: “Q₀” represents the number of outstanding Restricted Shares prior to adjustment; “P₁” represents the closing price of the Shares as at the record date; “P₂” represents the subscription price of the rights issue; “n” represents the ratio of the rights issue allotment; “Q” represents the number of outstanding Restricted Shares after adjustment.

Share consolidation, share sub-division or reduction of share capital

$$Q = Q_0 \times n$$

Where: “Q₀” represents the number of outstanding Restricted Shares prior to adjustment; “n” represents the ratio of share consolidation, share sub-division or reduction of share capital; “Q” represents the number of outstanding Restricted Shares after adjustment.

To the extent not otherwise determined by the Board in accordance with paragraph 14, the methods of adjustment of the purchase price of outstanding Restricted Shares are set out as below:

Capitalization issue

$$P = P_0 \div (1 + n)$$

Where: “P₀” represents the purchase price of outstanding Restricted Shares prior to adjustment; “n” represents the ratio per Share resulting from the capitalization issue; “P” represents the purchase price of outstanding Restricted Shares after adjustment.

Rights issue

$$P = P_0 \times (P_1 + P_2 \times n) \div (P_1 \times (1 + n))$$

Where: “P₀” represents the purchase price of outstanding Restricted Shares prior to adjustment; “P₁” represents the closing price of the Shares as at the record date; “P₂” represents the subscription price of the rights issue; “n” represents the ratio of the rights issue allotment; “P” represents the purchase price of outstanding Restricted Shares after adjustment.

Share consolidation, share sub-division or reduction of share capital

$$P = P_0 \div n$$

Where: “P₀” represents the purchase price of outstanding Restricted Shares prior to adjustment; “n” represents the ratio of share consolidation, share sub-division or reduction of share capital; “P” represents the purchase price of outstanding Restricted Shares after adjustment.

15. Alteration of the Scheme

- (i) Subject to paragraph 15(iii), the Scheme may be altered or varied in any respect by a resolution of the Board at any time and in any respect, provided the terms of the Scheme and share awards granted under the Scheme so altered must comply with the relevant requirements of Chapter 17 of the Listing Rules.
- (ii) The approval of the Shareholders by ordinary resolution at general meeting is required for (a) any amendment or alterations to the terms and conditions of the Scheme which are of a material nature or to the provisions of the Scheme which relate to the matters governed by Rule 17.03 of the Listing Rules to the extent such alteration or amendment operates to the advantage of the selected participants under the Scheme; and (b) any change to the authority of the Board or administrators of the Scheme, including under paragraph 15, to alter the terms of the Scheme.
- (iii) Any change to the terms of the share awards granted must be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the share awards was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be). This requirement does not apply where the amendment takes effect automatically under the existing terms of the Scheme.

The following is a summary of the principal amended terms of the Program proposed to be adopted at the Annual General Meeting. It does not form part of, nor is it intended to be part of the rules of the Program. The Directors reserve the right at any time prior to the Annual General Meeting to make such amendments to the Program as they may consider necessary or appropriate provided that such amendments do not conflict with any material aspects with the summary in this Appendix.

1. Purposes of the Program

The purposes of the Program are to (i) incentivize and reward the Eligible Participants who have significant influence on the performance for the Group, with incentives highly related to the business and individual performance in order to drive the Group's business growth; (ii) promote the long-term growth and development of the Group by aligning the interests of the management to the Shareholders; and (iii) strengthen the bonding among the Eligible Participants to achieve performance goals collectively to enhance the business results and market value of the Group.

2. Administration of the Program

The Program shall be subject to the administration of the Board and the trustee of the Program in accordance with the terms of the Program and the trust deed entered into between the Company and the trustee of the Program. The decision of the Board regarding the administration and operation of the Program shall be final and binding on all parties. The Board has the power to administer the Program, including the power to interpret the rules of the Program, and the terms of the share awards granted under the Program.

3. Determination of Selected Participants

The Board may, at its sole discretion, determine which Eligible Participant(s) shall be entitled to receive grants of Restricted Shares under the Program, together with the number of Shares to which each Eligible Participant shall be entitled, and make the relevant grant of Restricted Shares to the selected participants under the Program subject to such conditions as the Board may deem appropriate at its discretion.

In determining the selected participants under the Program, assessment criteria include, among others, time commitment, performance, background, responsibilities or employment conditions according to the prevailing market practice and industry standard and the length of engagement with the Group.

4. Scheme Mandate Limit and Maximum Number of Shares to be Granted under the Program

- (i) The maximum number of Restricted Shares underlying all grants to be made pursuant to the Program shall not exceed in total three per cent. (3%) of the total number of Shares in issue as at the Amendment Date, and for the avoidance of doubt, Restricted Shares granted under the Program prior to the refreshment on the Amendment Date will not be counted for the purpose of calculating the scheme limit of the Program.
- (ii) The maximum number of new Shares which may be issued and allotted in respect of all share options and share awards to be granted under all of the Share Scheme(s) shall not exceed the Scheme Mandate Limit, pursuant to which the total number of Shares underlying all share awards to be granted under the Program and all share awards and share options to be granted under any other Share Scheme(s) shall not exceed in total six per cent. (6%) of the total number of Shares in issue as at the Amendment Date.
- (iii) The Company may seek the approval from its Shareholders at general meeting to refresh the Scheme Mandate Limit after three years from the Amendment Date or the date of Shareholders' approval for the last refreshment, such that the aggregate number of Shares underlying all grants to be made pursuant to the Program and all share awards and share options to be granted under other Share Scheme(s) shall not exceed 6% of the total number of issued Shares as of the date of approval of the refreshed limit. The Company may seek separate approval from its Shareholders at general meeting for granting any Restricted Shares under the Program beyond the Scheme Mandate Limit to Eligible Participants specifically identified by the Company before such approval is sought.

5. Individual Limits

- (i) Where any grant of share awards under the Program to an Eligible Participant would result in the Shares issued and to be issued in respect of all Restricted Shares, share options and share awards granted (excluding any Restricted Shares, share options and share awards lapsed in accordance with the terms of the Program or any other Share Scheme(s)) to such Eligible Participant in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the Shares in issue, such grant of share awards must be separately approved by Shareholders at general meeting with such Eligible Participant and his/her close associates (or his/her associates if the Eligible Participant is a connected person of the Company) abstaining from voting.

- (ii) Where any grant of share awards under the Program to any Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates would result in the Shares issued and to be issued in respect of all Restricted Shares and share awards granted (excluding any Restricted Shares and share awards lapsed in accordance with the terms of the Program or any other Share Scheme(s)) to such Eligible Participant in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue, such further grant of share awards under the Program must be approved by the Shareholders at general meeting in the manner required (with such Eligible Participant, his/her associates and all core connected persons of the Company abstaining from voting in favor at such general meeting), and subject to relevant requirements under the Listing Rules.
- (iii) Where any grant of share awards under the Program to an independent non-executive Director or substantial Shareholder of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all Restricted Shares, share options and share awards granted (excluding any Restricted Shares, share options and share awards lapsed in accordance with the terms of the Program or any other Share Scheme(s)) to such independent non-executive Director or substantial Shareholder of the Company in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue, such further grant of share awards under the Program must be approved by the Shareholders at general meeting in the manner required (with such Eligible Participant, his/her associates and all core connected persons of the Company abstaining from voting in favor at such general meeting), and subject to relevant requirements under the Listing Rules.

6. Grant of Restricted Shares

- (i) Any proposed grant of the Restricted Shares under the Program to any Director, chief executive or substantial Shareholder of the Company, or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is a proposed recipient of the grant of the Restricted Shares, in which case such Director shall abstain from such approval process).
- (ii) The Board may determine in its absolute discretion the amount (if any) payable on acceptance of share award and the period within which any such payments must be made, and such amounts (if any) and periods shall be set out in the notice of share award.

- (iii) For the purpose of determining the share price of each Restricted Share, it shall be the average closing price of the Company's Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant or such price (if any) as may be determined by the Board in its absolute discretion at the relevant time for each individual grant of Restricted Shares.

7. Vesting

- (i) The Board may, in respect of each share award, and subject to all applicable laws, rules and regulations, determine such performance targets, criteria or conditions for vesting of share awards in its sole and absolute discretion. Any such performance targets, criteria or conditions shall be set out in the notice of share award. The Board shall have regard to the purpose of the Program in making such determination, with any performance targets generally being in line with common key performance indicators in the industry of the Group, and taking into account the different roles and contributions of the Eligible Participants. The Board shall also establish robust mechanisms to ensure impartial evaluation of such indicators. For the avoidance of doubt, a share award shall not be subject to any performance targets, criteria or conditions unless set out in the relevant notice of share award.
- (ii) The vesting period in respect of any share award shall not be less than 12 months or such other period as the Listing Rules may prescribe or permit, provided that the vesting period may be less than 12 months from the date of grant (including on the date of grant) in the following circumstances:
- (a) grants of "make-whole" share awards to new Eligible Participants to replace share awards such Eligible Participants forfeited when leaving their previous employers;
 - (b) grants to an Eligible Participant whose employment is terminated due to death or disability or event of force majeure;
 - (c) grants of share awards which are subject to the fulfilment of performance targets pursuant to paragraph 7(i) in lieu of time-based vesting conditions;
 - (d) grants of share awards the timing of which is determined by administrative or compliance requirements not connected with the performance of the relevant Eligible Participant, in which case the vesting date may be adjusted to take account of the time from which the share award would have been granted if not for such administrative or compliance requirements;

- (e) grants of share awards with a mixed or accelerated vesting schedule such that the share awards vest evenly over a period of 12 months; or
- (f) grants of share awards with a total vesting and holding period of more than 12 months.

8. Lapse of Share Awards

- (i) Subject to the rules of the Program, in the event that (i) the selected participant under the Program ceases to be an Eligible Participant (otherwise than by reason of redundancy or by unilateral termination of employment by the Company without cause); (ii) the selected participant under the Program has been summarily dismissed by the Company; (iii) the selected participant under the Program has been convicted for any criminal offence involving his integrity or honesty; (iv) the selected participant under the Program has been charged, convicted or held liable for any offence under the relevant securities laws in the PRC, Hong Kong or any other applicable laws or regulations in force from time to time; (v) the selected participant under the Program has committed any material breach of any contract entered into between the selected participant under the Program on the one hand and any member of the Group on the other hand; (vi) the selected participant under the Program has become bankrupt or unable to pay his or her debts, or is subject to any bankruptcy or analogous proceedings or has made any arrangement or composition with his or her creditors generally; (vii) the selected participant under the Program is deceased or becomes mentally incapacitated; (viii) an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company (otherwise than for the purposes of, and followed by, an amalgamation or reconstruction in such circumstances that substantially the whole of the undertaking, assets and liabilities of the Company pass to a successor company); or (ix) the selected participant under the Program retires by agreement with the Company at any time prior to or on the vesting date, save as determined otherwise by the Board at its sole discretion, any unvested Restricted Shares will automatically lapse, and the selected participant under the Program shall cease immediately to be entitled to all his/her rights and benefits to the unvested Restricted Shares.
- (ii) The Restricted Shares lapsed in accordance with the terms of the Program (or the terms of any other Share Scheme(s)) will not be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

9. Assignment of Share Awards

- (i) Any share award granted under the Program are personal to such selected participant under the Program and cannot be assigned or transferred, except in circumstances where the prior written approval of the Board has been obtained and a waiver has been granted by the Stock Exchange where such transfer in compliance with requirements of the Listing Rules and provided that any such transferee shall be bound by the rules of the Program and all applicable notice of share awards as if the transferee were the selected participant.
- (ii) Any attempt by each selected participant under the Program to sell, transfer, charge, mortgage, grant, encumber or create any interest in favor of any third party over the unvested Restricted Shares to which he/she is entitled shall be null and void, except in accordance with the Program.

10. Clawback

Upon the occurrence of any of the following event (and whether an event is to be regarded as having occurred for the purpose of this paragraph is subject to the sole determination of the Board) in relation to a selected participant under the Program:

- (i) the selected participant's service or employment with the Group has been terminated by any member of the Group for cause. For the purposes of this paragraph, "cause" means: (i) dishonesty or serious misconduct or willful disobedience or non-compliance with the terms of his or her employment with any member of the Group or any lawful orders or instructions given by any member of the Group as the case may be; or (ii) doing anything in the conclusive opinion of the Board bringing the Company or the Group into material disrepute; or
- (ii) the selected participant has been convicted for any criminal offence involving his or her integrity or honesty,

then the Board may make a determination at its absolute discretion that: (A) any share awards granted to that selected participant (if such share awards are unvested) shall immediately lapse, (B) with respect to any Restricted Shares issued or transferred to that selected participant, the selected participant shall be required to transfer back to the Company or its nominee (1) the equivalent number of Shares, (2) an amount in cash equal to the market value of such Shares, or (3) a

combination of (1) and (2), and/or (C) with respect to any Restricted Shares held by the trustee of the Program for the benefit of the selected participant, those Restricted Shares shall no longer be held on trust for nor inure to the benefit of the selected participant.

11. Cancellation

- (i) Subject to Chapter 17 of the Listing Rules, the Board may at its absolute discretion cancel any outstanding Restricted Shares granted, provided that the Company and the selected participant under the Program mutually agree to cancel any of the Restricted Shares granted.
- (ii) Where the Company cancels any Restricted Shares granted to a selected participant under the Program and makes a new grant to the same selected participant, such new grant may only be made with available Scheme Mandate Limit approved by the Shareholders pursuant to paragraph 4. The Restricted Shares cancelled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

12. Duration and Termination

The Program commences on the adoption date of the Program (June 16, 2021) and remains valid and effective unless and until being terminated upon the expiry of the period of ten years from such date, unless terminated earlier by a resolution of the Board. Any termination shall be without prejudice to any subsisting rights of any selected participant under the Program. Notwithstanding the termination of the Program, the Program and the rules of the Program shall in all other respects continue to be valid and effective to the extent necessary to give effect to the vesting and exercise of any Restricted Shares granted prior to the termination of the Program.

13. Voting Rights

- (i) Neither the selected participant under the Program nor the trustee of the Program may exercise any of the voting rights in respect of any Restricted Shares that have not yet vested. Upon the Restricted Shares being vested and transferred to the relevant selected participant under the Program, each selected participant shall be entitled to exercise all voting rights in respect of such Restricted Shares.

- (ii) Share awards do not carry any right to vote at general meetings of the Company, nor any right to dividends, transfer or other rights. No selected participant under the Program shall enjoy any of the rights of a Shareholder by virtue of the grant of a share award unless and until the Shares underlying a share award are delivered to the selected participant pursuant to the vesting of such share award.

14. Alteration in the Capital Structure of the Company

In the event of any alteration in the capital structure of the Company by way of capitalization of profits or reserves, rights issue, sub-division or consolidation of the Shares or reduction of the share capital of the Company (other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party) after the Amendment Date, corresponding adjustments will be made to (i) the number of outstanding Restricted Shares that have been granted; and (ii) the purchase price of outstanding Restricted Shares provided that the adjustments shall be made in such manner as the Board determines to be fair and reasonable in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Program for the selected participants.

Any such adjustment shall be subject to a written confirmation from an independent financial advisor engaged by the Company or the auditor of the Company to the Board to be in their opinion fair and reasonable that: (i) any such adjustments should give each selected participant under the Program the same proportion (or rights in respect to the same proportion) of the equity capital of the Company, rounded to the nearest whole Share, as that to which that selected participant under the Program was previously entitled prior to such adjustments, and (ii) no such adjustments shall be made which would result in a Share being issued at less than its nominal value. The capacity of the independent financial advisor or the auditor of the Company (as the case may be) in paragraph 14 is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the selected participants under the Program.

To the extent not otherwise determined by the Board in accordance with paragraph 14, the methods of adjustment of the number of outstanding Restricted Shares are set out as below:

Capitalization issue

$$Q = Q_0 \times (1 + n)$$

Where: “Q₀” represents the number of outstanding Restricted Shares prior to adjustment; “n” represents the ratio per Share resulting from the capitalization issue; “Q” represents the number of outstanding Restricted Shares after adjustment.

Rights issue

$$Q = Q_0 \times P_1 \times (1 + n) \div (P_1 + P_2 \times n)$$

Where: “Q₀” represents the number of outstanding Restricted Shares prior to adjustment; “P₁” represents the closing price of the Shares as at the record date; “P₂” represents the subscription price of the rights issue; “n” represents the ratio of the rights issue allotment; “Q” represents the number of outstanding Restricted Shares after adjustment.

Share consolidation, share sub-division or reduction of share capital

$$Q = Q_0 \times n$$

Where: “Q₀” represents the number of outstanding Restricted Shares prior to adjustment; “n” represents the ratio of share consolidation, share sub-division or reduction of share capital; “Q” represents the number of outstanding Restricted Shares after adjustment.

To the extent not otherwise determined by the Board in accordance with paragraph 14, the methods of adjustment of the purchase price of outstanding Restricted Shares are set out as below:

Capitalization issue

$$P = P_0 \div (1 + n)$$

Where: “P₀” represents the purchase price of outstanding Restricted Shares prior to adjustment; “n” represents the ratio per Share resulting from the capitalization issue; “P” represents the purchase price of outstanding Restricted Shares after adjustment.

Rights issue

$$P = P_0 \times (P_1 + P_2 \times n) \div (P_1 \times (1 + n))$$

Where: “P₀” represents the purchase price of outstanding Restricted Shares prior to adjustment; “P₁” represents the closing price of the Shares as at the record date; “P₂” represents the subscription price of the rights issue; “n” represents the ratio of the rights issue allotment; “P” represents the purchase price of outstanding Restricted Shares after adjustment.

Share consolidation, share sub-division or reduction of share capital

$$P = P_0 \div n$$

Where: “P₀” represents the purchase price of outstanding Restricted Shares prior to adjustment; “n” represents the ratio of share consolidation, share sub-division or reduction of share capital; “P” represents the purchase price of outstanding Restricted Shares after adjustment.

15. Alteration of the Program

- (i) Subject to paragraph 15(iii), the Program may be altered or varied in any respect by a resolution of the Board at any time and in any respect, provided the terms of the Program and share awards granted under the Program so altered must comply with the relevant requirements of Chapter 17 of the Listing Rules.
- (ii) The approval of the Shareholders by ordinary resolution at general meeting is required for (a) any amendment or alterations to the terms and conditions of the Program which are of a material nature or to the provisions of the Program which relate to the matters governed by Rule 17.03 of the Listing Rules to the extent such alteration or amendment operates to the advantage of the selected participants under the Program; and (b) any change to the authority of the Board or administrators of the Program, including under paragraph 15, to alter the terms of the Program.
- (iii) Any change to the terms of the share awards granted must be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the share awards was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be). This requirement does not apply where the amendment takes effect automatically under the existing terms of the Program.

The following are the proposed amendments to the Existing Memorandum and Articles of Association. If the serial numbering of the provisions of the Existing Memorandum and Articles of Association is changed due to the addition, deletion or re-arrangement of certain provisions made in these proposed amendments, the serial numbering of the provisions of the Existing Memorandum and Articles of Association as so amended shall be changed accordingly, including cross-references.

| Existing Provisions of the Articles of Association | Proposed Amendments to the Articles of Association |
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| (Not applicable. The provision on the right column is newly added.) | 2.2 “black rainstorm warning” shall have the <u>meaning given to it in the Interpretation and General Clauses Ordinance (Cap. 1 of the Laws of Hong Kong).</u> |
| 2.2 “business day” shall mean a day on which the Exchange generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Exchange is closed for business of dealing in securities in Hong Kong on a day by reason of a Number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purpose of these Articles be counted as a business day. | 2.2 “business day” shall mean a day on which the Exchange generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Exchange is closed for business of dealing in securities in Hong Kong on a day by reason of a Number 8 or higher typhoon signal <u>gale warning</u> , black rainstorm warning or other similar event, such day shall for the purpose of these Articles be counted as a business day. |
| (Not applicable. The provision on the right column is newly added.) | 2.2 “gale warning” shall have the <u>meaning given to it in the Interpretation and General Clauses Ordinance (Cap. 1 of the Laws of Hong Kong).</u> |

| Existing Provisions of the Articles of Association | Proposed Amendments to the Articles of Association |
|---|---|
| <p>7.9 The registration of transfers may, on 10 business days' notice (or on 6 business days' notice in the case of a rights issue) being given by advertisement published on the Exchange's website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided or by advertisement published in the newspapers, be suspended and the register closed at such times for such periods as the Board may from time to time determine provided always that such registration shall not be suspended or the register closed for more than 30 days in any year (or such longer period as the members may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year). In the event that there is an alteration of book closure dates, the Company shall give at least 5 business days' notice before the announced closure, or the new closure, whichever is earlier. If, however, there are exceptional circumstances (e.g. during a Number 8 or higher typhoon signal and black rainstorm warning) that render the giving of such publication of advertisement impossible, the Company shall comply with these requirements as soon as practicable.</p> | <p>7.9 The registration of transfers may, on 10 business days' notice (or on 6 business days' notice in the case of a rights issue) being given by advertisement published on the Exchange's website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided or by advertisement published in the newspapers, be suspended and the register closed at such times for such periods as the Board may from time to time determine provided always that such registration shall not be suspended or the register closed for more than 30 days in any year (or such longer period as the members may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year). In the event that there is an alteration of book closure dates, the Company shall give at least 5 business days' notice before the announced closure, or the new closure, whichever is earlier. If, however, there are exceptional circumstances (e.g. during a <u>Number 8 or higher typhoon signal gale warning</u> and or black rainstorm warning) that render the giving of such publication of advertisement impossible, the Company shall comply with these requirements as soon as practicable.</p> |

| Existing Provisions of the Articles of Association | Proposed Amendments to the Articles of Association |
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| <p>12.1 The Company shall hold a general meeting as its annual general meeting in each year other than the year of the Company’s adoption of these Articles, within a period of not more than 15 months after the holding of the last preceding annual general meeting or not more than 18 months after the date of adoption of these Articles (or such longer period as the Exchange may authorise). The annual general meeting shall be specified as such in the notices calling it and shall be held at such time and place as the Board shall appoint.</p> | <p>12.1 The Company shall hold a general meeting as its annual general meeting in <u>for</u> each <u>financial year</u> other than the year of the Company’s adoption of these Articles, within a period of not more than 15 months after the holding of the last preceding annual general meeting or not more than 18 months after the date of adoption of these Articles (or such longer period as <u>to be held within six months (or such other period as may be permitted by the Listing Rules or the Exchange</u> may authorise) <u>after the end of such financial year.</u> The annual general meeting shall be specified as such in the notices calling it and shall be held at such time and place as the Board shall appoint.</p> |

| Existing Provisions of the Articles of Association | Proposed Amendments to the Articles of Association |
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| <p>12.3 The Board may, whenever it thinks fit, convene an extraordinary general meeting. General meetings shall also be convened on the written requisition of any two or more members deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. General meetings may also be convened on the written requisition of any one member which is a recognised clearing house (or its nominee(s)) deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionist, provided that such requisitionist held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. If the Board does not within 21 days from the date of deposit of the requisition proceed duly to</p> | <p>12.3 The Board may, whenever it thinks fit, convene an extraordinary general meeting. General meetings shall also be convened on the written requisition of any two<u>one</u> or more members <u>holding together, as at the date of deposit of the requisition, shares representing not less than one-tenth of the voting rights, on a one vote per share basis, of the Company which carry the right of voting at general meetings of the Company.</u> The written <u>requisition shall be deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office of the Company</u> specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. General meetings may also be convened on the written requisition of any one member which is a recognised clearing house (or its nominee(s)) deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the resolutions to be added to the</p> |

| Existing Provisions of the Articles of Association | Proposed Amendments to the Articles of Association |
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| <p>convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.</p> | <p>meeting <u>agenda,</u> and signed by the requisitionist(s); — provided — that — such requisitionist held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.</p> |
| <p>(Not applicable. The provision on the right column is newly added.)</p> | <p><u>12.10 If, after the notice of a general meeting has been sent but before the meeting is held, or after the adjournment of a general meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the Board, in its absolute discretion, considers that it is impractical or unreasonable for any reason to hold a general meeting on the date or at the time and place specified in the notice calling such meeting, it may change or postpone the meeting to another date, time and place in accordance with Article 12.12.</u></p> |

| Existing Provisions of the Articles of Association | Proposed Amendments to the Articles of Association |
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| (Not applicable. The provision on the right column is newly added.) | <u>12.11 The Board shall also have the power to provide in every notice calling a general meeting that in the event of a gale warning or a black rainstorm warning (or the equivalent in the location of the relevant meeting) is in force at any time on the day of the general meeting (unless such warning has been cancelled at least a minimum period of time prior to the general meeting as the Board may specify in the relevant notice), the meeting shall be postponed without further notice to be reconvened on a later date in accordance with Article 12.12.</u> |
| (Not applicable. The provision on the right column is newly added.) | <u>12.12 Where a general meeting is postponed in accordance with Article 12.10 or Article 12.11:</u> |

| Existing Provisions of the Articles of Association | Proposed Amendments to the Articles of Association |
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| | <p>(a) <u>the Company shall endeavour to cause a notice of such postponement, which shall set out the reason for the postponement in accordance with the Listing Rules, to be placed on the Company’s Website and published on the Exchange’s website as soon as practicable, provided that failure to place or publish such notice shall not affect the automatic postponement of a general meeting pursuant to Article 12.11;</u></p> <p>(b) <u>the Board shall fix the date, time and place for the reconvened meeting and at least seven clear days’ notice shall be given for the reconvened meeting by one of the means specified in Article 30.1, and such notice shall specify the date, time and place at which the postponed meeting will be reconvened, and the date and times by which proxies shall be submitted in order to be valid at such reconvened meeting (provided that any proxy submitted for the original meeting shall continue to be valid for the reconvened meeting unless revoked or replaced by a new proxy); and</u></p> |

| Existing Provisions of the Articles of Association | Proposed Amendments to the Articles of Association |
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| | <p>(c) <u>only the business set out in the notice of the original meeting shall be transacted at the reconvened meeting, and notice given for the reconvened meeting does not need to specify the business to be transacted at the reconvened meeting, nor shall any accompanying documents be required to be recirculated. Where any new business is to be transacted at such reconvened meeting, the Company shall give a fresh notice for such reconvened meeting in accordance with Article 12.5.</u></p> |
| <p>14.1 Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting where a show of hands is allowed, every member Present shall have one vote, and on a poll every member Present shall have one vote for each share registered in his name in the register. On a poll a member entitled to more than one vote is under no obligation to cast all his votes in the same way. For the avoidance of doubt, where more than one proxy is appointed by a recognised clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands and is under no obligation to cast all his votes in the same way on a poll.</p> | <p>14.1 Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting where a show of hands is allowed, every member Present shall have <u>(a) the right to speak, (b) one vote,</u> and on a poll every member Present shall have show of hands, and <u>(c) one vote for each share registered in his name in the register on a poll, except where a member is required, by the Listing Rules, to abstain from voting on a matter under consideration.</u> On a poll a member entitled to more than one vote is under no obligation to cast all his votes in the same way. For the avoidance of doubt, where more than one proxy is appointed by a recognised clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands and is under no obligation to cast all his votes in the same way on a poll.</p> |

| Existing Provisions of the Articles of Association | Proposed Amendments to the Articles of Association |
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| <p>14.15 If a recognised clearing house (or its nominee(s)) is a member it may authorise such person or persons as it thinks fit to act as its representative(s) at any general meeting of the Company or at any general meeting of any class of members provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. The person so authorised will be deemed to have been duly authorised without the need of producing any documents of title, notarised authorisation and/or further evidence to substantiate that it is so authorised. A person so authorised pursuant to this provision shall be entitled to exercise the same rights and powers on behalf of the recognised clearing house (or its nominee(s)) which he represents as that recognised clearing house (or its nominee(s)) could exercise as if such person were an individual member holding the number and class of shares specified in such authorisation, including, where a show of hands is allowed, the right to vote individually on a show of hands, notwithstanding any contrary provision contained in these Articles.</p> | <p>14.15 If a recognised clearing house (or its nominee(s)) is a member it may authorise such person or persons as it thinks fit to act as its representative(s) at any general meeting of the Company, <u>any creditors meeting of the Company</u> or at any general meeting of any class of members provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. The person so authorised will be deemed to have been duly authorised without the need of producing any documents of title, notarised authorisation and/or further evidence to substantiate that it is so authorised. A person so authorised pursuant to this provision shall be entitled to exercise the same rights and powers on behalf of the recognised clearing house (or its nominee(s)) which he represents as that recognised clearing house (or its nominee(s)) could exercise as if such person were an individual member holding the number and class of shares specified in such authorisation, including <u>the right to speak and</u>, where a show of hands is allowed, the right to vote individually on a show of hands, notwithstanding any contrary provision contained in these Articles.</p> |

| Existing Provisions of the Articles of Association | Proposed Amendments to the Articles of Association |
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| <p>16.2 The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at that meeting.</p> | <p>16.2 The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the next following <u>first annual</u> general meeting of the Company <u>after his appointment</u> and shall then be eligible for re-election at that meeting.</p> |
| <p>16.3 The Company may from time to time in general meeting by ordinary resolution increase or reduce the number of Directors but so that the number of Directors shall not be less than two. Subject to the provisions of these Articles and the Companies Act, the Company may by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election.</p> | <p>16.3 The Company may from time to time in general meeting by ordinary resolution increase or reduce the number of Directors but so that the number of Directors shall not be less than two. Subject to the provisions of these Articles and the Companies Act, the Company may by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election.</p> |

| Existing Provisions of the Articles of Association | Proposed Amendments to the Articles of Association |
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| <p>16.6 The Company may by ordinary resolution at any time remove any Director (including a Managing Director or other executive Director) before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director and may by ordinary resolution elect another person in his stead. Any person so elected shall hold office during such time only as the Director in whose place he is elected would have held the same if he had not been removed. Nothing in this Article should be taken as depriving a Director removed under any provision of this Article of compensation or damages payable to him in respect of the termination of his appointment as Director or of any other appointment or office as a result of the termination of his appointment as Director or as derogatory from any power to remove a Director which may exist apart from the provision of this Article.</p> | <p>16.6 The Company may by ordinary resolution at any time remove any Director (including a Managing Director or other executive Director) before the expiration of his period<u>term</u> of office notwithstanding anything in these Articles or in any agreement between the Company and such Director and may by ordinary resolution elect another person in his stead. Any person so elected shall hold office during such time only as the Director in whose place he is elected would have held the same if he had not been removed. Nothing in this Article should be taken as depriving a Director removed under any provision of this Article of compensation or damages payable to him in respect of the termination of his appointment as Director or of any other appointment or office as a result of the termination of his appointment as Director or as derogatory from any power to remove a Director which may exist apart from the provision of this Article.</p> |

| Existing Provisions of the Articles of Association | Proposed Amendments to the Articles of Association |
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| <p>16.18 The office of a Director shall be vacated:</p> <p>(a) if he resigns his office by notice in writing to the Company at its registered office or its principal office in Hong Kong;</p> <p>(b) if an order is made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the Board resolves that his office be vacated;</p> <p>(c) if, without leave, he is absent from meetings of the Board (unless an alternate Director appointed by him attends in his place) for a continuous period of 12 months, and the Board resolves that his office be vacated;</p> <p>(d) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;</p> <p>(e) if he ceases to be or is prohibited from being a Director by law or by virtue of any provisions in these Articles;</p> | <p>16.18 The office of a Director shall be vacated:</p> <p>(a) if he resigns his office by notice in writing to the Company at its registered office or its principal office in Hong Kong;</p> <p>(b) if an order is made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the Board resolves that his office be vacated;</p> <p>(c) if, without leave, he is absent from meetings of the Board (unless an alternate Director appointed by him attends in his place) for a continuous period of 12 months, and the Board resolves that his office be vacated;</p> <p>(d) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;</p> <p>(e) if he ceases to be or is prohibited from being a Director by law or by virtue of any provisions in these Articles;</p> |

| Existing Provisions of the Articles of Association | Proposed Amendments to the Articles of Association |
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| <p>(f) if he shall be removed from office by notice in writing served upon him signed by not less than three fourths in number (or, if that is not a round number, the nearest lower round number) of the Directors (including himself) then in office; or</p> | <p>(f) if he shall be removed from office by notice in writing served upon him signed by not less than three fourths in number (or, if that is not a round number, the nearest lower round number) of the Directors (including himself) then in office; or</p> |
| <p>(g) if he shall be removed from office by an ordinary resolution under Article 16.6.</p> | <p>(g) if he shall be removed from office by an ordinary resolution under Article 16.6.</p> |
| <p>At every annual general meeting of the Company one-third of the Directors for the time being (or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third) shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. Any Director appointed pursuant to Article 16.2 or Article 16.3 shall not be taken into account in determining which Directors are to retire by rotation. A retiring Director shall retain office until the close of the meeting at which he retires and shall be eligible for re-election thereat. The Company at any annual general meeting at which any Directors retire may fill the vacated office by electing a like number of persons to be Directors.</p> | <p><u>16.19</u> At every annual general meeting of the Company one-third of the Directors for the time being (or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third) shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. Any Director appointed <u>required to stand for re-election</u> pursuant to Article 16.2 or Article 16.3 shall not be taken into account in determining <u>the number of Directors and</u> which Directors are to retire by rotation. A retiring Director shall retain office until the close of the meeting at which he retires and shall be eligible for re-election thereat. The Company at any annual general meeting at which any Directors retire may fill the vacated office by electing a like number of persons to be Directors.</p> |

| Existing Provisions of the Articles of Association | Proposed Amendments to the Articles of Association |
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| <p>29.2 The Company shall at every annual general meeting appoint an auditor or auditors of the Company who shall hold office until the next annual general meeting. The removal of an Auditor before the expiration of his period of office shall require the approval of an ordinary resolution of the members in general meeting. The remuneration of the Auditors shall be fixed by the Company at the annual general meeting at which they are appointed provided that in respect of any particular year the Company in general meeting may delegate the fixing of such remuneration to the Board. No person may be appointed as the, or an, Auditor, unless he is independent of the Company. The Board may before the first annual general meeting appoint an auditor or auditors of the Company who shall hold office until the first annual general meeting unless previously removed by an ordinary resolution of the members in general meeting in which case the members at that meeting may appoint Auditors. The Board may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor or Auditors, if any, may act. The remuneration of any Auditor appointed by the Board under this Article may be fixed by the Board.</p> | <p>29.2 The Company shall at every annual general meeting <u>by ordinary resolution</u> appoint an auditor or auditors of the Company who shall hold office until the next annual general meeting. The removal of an Auditor before the expiration of his period of office shall require the approval of an ordinary resolution of the members in general meeting. The remuneration of the Auditors shall be fixed by the Company at the annual general meeting at which they are appointed <u>by ordinary resolution</u>, provided that in respect of any particular year the Company in general meeting may delegate the fixing of such remuneration to the Board. No person may be appointed as the, or an, Auditor, unless he is independent of the Company. The Board may before the first annual general meeting appoint an auditor or auditors of the Company who shall hold office until the first annual general meeting unless previously removed by an ordinary resolution of the members in general meeting in which case the members at that meeting may appoint Auditors. The Board may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor or Auditors, if any, may act. The remuneration of any Auditor appointed by the Board under this Article may be fixed by the Board.</p> |
| <p>(Not applicable. The provision on the right column is newly added.)</p> | <p>32.1 <u>Subject to the Companies Act, the Company may by special resolution resolve that the Company be wound up voluntarily.</u></p> |

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 4,230,237,102 Shares.

Subject to the passing of the ordinary resolution set out in item 8 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 authorized 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 423,023,710 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 the memorandum and articles of association of the Company, 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, 2022) 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:

| Month | Share Price Per Share | |
|--|-----------------------|----------------|
| | Highest HK\$ | Lowest HK\$ |
| 2022 | | |
| May | 61.40 | 46.80 |
| June | 79.75 | 55.15 |
| July | 87.00 | 69.65 |
| August | 76.95 | 64.50 |
| September | 69.55 | 45.70 |
| October | 54.50 | 35.00 |
| November | 56.30 | 35.20 |
| December | 61.80 | 48.50 |
| 2023 | | |
| January | 77.40 | 58.55 |
| February | 69.80 | 52.15 |
| March | 59.95 | 44.20 |
| April | 56.70 | 45.00 |
| May (<i>up to and including the Latest Practicable Date</i>) | 48.55 | 41.75 |

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 that, so far as the same may be applicable, they will exercise the power of the Company to repurchase Shares under the Share Repurchase Mandate pursuant to the proposed resolution to be approved at the Annual General Meeting 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).

NOTICE OF ANNUAL GENERAL MEETING



WUXI BIOLOGICS (CAYMAN) INC.

藥明生物技術有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2269)

NOTICE OF 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 Thursday, June 15, 2023 at 10:00 a.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, 2022.
2. To re-elect the following Directors, each as a separate resolution:
 - (a) To re-elect Dr. Ge Li as non-executive Director.
 - (b) To re-elect Dr. Zhisheng Chen as executive Director.
 - (c) To re-elect Mr. Kenneth Walton Hitchner III as independent non-executive Director.
 - (d) To re-elect Mr. Jackson Peter Tai as independent non-executive Director.
3. To authorize the board of Directors or any duly authorized board committee to fix the Directors’ remuneration for the year ending December 31, 2023.
4. To re-appoint Messrs. Deloitte Touche Tohmatsu as auditors and to authorize the board of Directors or any duly authorized board committee to fix their remuneration.

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

5. To consider and, if thought fit, pass with or without amendments, conditional upon the passing of ordinary resolution numbered 6, the following resolution as an ordinary resolution:

“THAT:

- (a) the proposed amendments (the **“Proposed Amendments to the Scheme”**) to the Restricted Share Award Scheme of the Company adopted on January 15, 2018 currently in force (the **“Scheme”**), as set out in Appendix II of the circular of the Company dated May 23, 2023, be and are hereby approved and adopted, and the board of Directors be and are hereby authorized to do all things necessary or expedient to implement the amended and restated Scheme which incorporates the Proposed Amendments to the Scheme (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) the proposed amendments (the **“Proposed Amendments to the Program”**) to the Share Award Scheme for Global Partner Program of the Company adopted on June 16, 2021 currently in force (the **“Program”**), as set out in Appendix III of the circular of the Company dated May 23, 2023, be and are hereby approved and adopted, and the board of Directors be and are hereby authorized to do all things necessary or expedient to implement the amended and restated Program which incorporates the Proposed Amendments to the Program (a copy of which has been produced at the Meeting marked “B” and signed by the chairman of the Meeting for the purpose of identification).”
6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT approval be and is hereby granted for adoption of the scheme mandate limit of the Company provided that the total number of shares of the Company which may be issued and allotted in respect of all share awards to be granted under the Scheme and the Program and all share awards and share options to be granted under any other Share Scheme(s) shall not exceed 6% of the total number of issued shares of the Company as at the date on which this resolution is passed (the **“Scheme Mandate Limit”**).”

NOTICE OF ANNUAL GENERAL MEETING

7. 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 recognized 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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- (c) the mandate in paragraph (a) above shall authorize 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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8. 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 recognized 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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To consider and, if thought fit, pass the following resolution as a special resolution:

9. “**THAT** the third amended and restated memorandum and articles of association of the Company, which contain the proposed amendments to the second amended and restated memorandum and articles of association of the Company currently in effect (the “**Existing Memorandum and Articles of Association**”) as set out in Appendix IV of the circular of the Company dated May 23, 2023 (a copy of which has been produced at the Meeting marked “C” and signed by the chairman of the Meeting for the purpose of identification), be and are hereby approved and adopted in substitution for and to the exclusion of the Existing Memorandum and Articles of Association with immediate effect.”

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

Hong Kong, May 23, 2023

Notes:

1. All resolutions at the Meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the Meeting is entitled to appoint another person (who must be an individual) as his proxy to attend and vote instead of him and a proxy so appointed shall have the same right as the shareholder to speak at the Meeting. A proxy need not be a shareholder of the Company. A shareholder may appoint any number of proxies to attend in his stead at the Meeting.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority, must be deposited at the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for the holding of the Meeting (i.e. no later than 10:00 a.m. on Tuesday, June 13, 2023, 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 Monday, June 12, 2023 to Thursday, June 15, 2023, 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 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Friday, June 9, 2023.

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5. Detailed information of all resolutions as set out in the Notice of Annual General Meeting is included in the circular dated May 23, 2023 (the “**Circular**”) to be despatched to shareholders of the Company. 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) and the website of Hong Kong Exchanges and Clearing Limited (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. Yibing Wu and Mr. Yanling Cao as non-executive Directors; and Mr. William Robert Keller, Mr. Kenneth Walton Hitchner III and Mr. Jackson Peter Tai as independent non-executive Directors.