

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



WUXI APPTEC CO., LTD.*
無錫藥明康德新藥開發股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2359)

**FULFILLMENT OF VESTING CONDITIONS FOR FIRST VESTING
PERIOD OF FIRST TRANCHE OF SHARE OPTIONS GRANTED
UNDER THE ADJUSTED INITIAL GRANT OF THE 2019
A SHARE INCENTIVE PLAN**

References are made to (i) the announcement of WuXi AppTec Co., Ltd.* (無錫藥明康德新藥開發股份有限公司) (the “**Company**”) dated July 19, 2019; (ii) the circular of the Company dated August 5, 2019 (the “**Circular**”); (iii) the poll results announcement of the Company dated September 20, 2019; (iv) the announcement of the Company dated September 30, 2019; (v) the circular of the Company dated October 4, 2019; (vi) the poll results announcement of the Company dated November 18, 2019; (vii) the announcements of the Company dated November 25, 2019, June 10, 2020, August 16, 2020, August 19, 2020, October 19, 2020, December 14, 2020, December 17, 2020 and March 1, 2021, in relation to, among other things, (i) the adoption of the 2019 A Share Incentive Plan; (ii) the adoption of the list of Incentive Participants of the 2019 A Share Incentive Plan; (iii) the adjustments to the number of Incentive Participants and number of Restricted A Shares and Share Options to be granted under the initial grant of the 2019 A Share Incentive Plan; (iv) the Adjusted Initial Grant of Restricted A Shares and Share Options under the 2019 A Share Incentive Plan; (v) the reserved grant of Restricted A Shares and Share Options under the 2019 A Share Incentive Plan; (vi) the repurchase and cancellation of part of the Restricted A Shares and cancellation of part of the Share Options granted under the 2019 A Share Incentive Plan; (vii) the adjustment to the repurchase number and repurchase price of Restricted A Shares granted under the 2019 A Share Incentive Plan; and (viii) the unlocking and trading of the Restricted A Shares granted under the Special Grant. Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as those defined in the Circular.

INTRODUCTION

The date of the grant of the Share Options (the “**Adjusted Initial Grant**”) under the 2019 A Share Incentive Plan was November 25, 2019, pursuant to which 5,039,904 units of Share Options were granted to 460 Incentive Participants (the “**Adjusted Incentive Participants**”) at the then exercise price of RMB64.88 per unit. Following the implementation of the profit distribution plan of the Company for the year ended December 31, 2019 and pursuant to the relevant adjustment mechanism of the 2019 A Share Incentive Plan as detailed in the Circular, the number of Share Options granted under the Adjusted Initial Grant was adjusted to 7,020,795 units at the exercise price of RMB46.34 per unit. In addition, on June 10, 2020 and October 19, 2020, pursuant to the relevant proposals approved by the Board, 474,255 and 249,900 units of Share Options granted under the Adjusted Initial Grant were cancelled respectively. Please refer to the relevant announcements of the Company dated November 25, 2019, June 10, 2020 and October 19, 2020 for further details. The underlying shares under the 2019 A Share Incentive Plan shall comprise solely of ordinary A Shares to be issued by the Company to the Adjusted Incentive Participants. Particulars of the allocation of the Share Options granted to the Adjusted Incentive Participants under the Adjusted Initial Grant are as follows:

Position	Number of Vesting Share Options granted under the Adjusted Initial Grant	Percentage to the total number of Share Options granted under the 2019 A Share Incentive Plan (%)	Percentage to the total share capital of the Company as at the date of the grant of Share Options under the 2019 A Share Incentive Plan (%)
376 senior-level managers, mid-level managers and backbone members of the technicians and basic-level managers and other technicians	2,390,426	40.00	0.15

FULFILLMENT OF VESTING CONDITIONS FOR FIRST VESTING PERIOD OF FIRST TRANCHE OF SHARE OPTIONS GRANTED UNDER THE ADJUSTED INITIAL GRANT OF THE 2019 A SHARE INCENTIVE PLAN

The maturity of vesting schedule

There are three tranches of Share Options granted under the Adjusted Initial Grant. The withholding period for each tranche of the Share Options granted are 18, 30 and 42 months from the date of the Adjusted Initial Grant, respectively.

Pursuant to the terms of the 2019 A Share Incentive Plan, the vesting periods (each a “**Vesting Period**”) and vesting arrangements in relation to each tranche of the Share Options granted under the Adjusted Initial Grant are as follows:

Vesting arrangements	Vesting period	Proportion of Vesting
First Vesting Period	From the first trading day after 18 months from the date of the Adjusted Initial Grant to the last trading day within 30 months from the date of the Adjusted Initial Grant	40%
Second Vesting Period	From the first trading day after 30 months from the date of the Adjusted Initial Grant to the last trading day within 42 months from the date of the Adjusted Initial Grant	30%
Third Vesting Period	From the first trading day after 42 months from the date of the Adjusted Initial Grant to the last trading day within 54 months from the date of the Adjusted Initial Grant	30%

As the Share Options under the Adjusted Initial Grant were granted on November 25, 2019, the withholding period of the first tranche of the Share Options granted under the Adjusted Initial Grant will be matured on May 24, 2021. Therefore, the First Vesting Period of the first tranche of Share Options granted under the Adjusted Initial Grant shall begin on May 25, 2021.

The fulfillment of vesting conditions

Pursuant to the relevant terms of the 2019 A Share Incentive Plan and the Administrative Measures on Share Incentives of Listed Companies (the “**Administrative Measures**”), the Share Options granted under the Adjusted Initial Grant to the Adjusted Incentive Participants can be vested upon satisfaction of all of the following conditions:

1. *None of the following circumstances has occurred to the Company immediately prior to the commencement of the First Vesting Period:*

- (i) a certified public accountant gives a negative opinion or indicates the inability to give an opinion in the financial and accounting report of the Company for the latest accounting year;
- (ii) a certified public accountant gives a negative opinion or indicates the inability to give an opinion on internal control in the financial report of the Company for the latest accounting year;
- (iii) the Company has distributed profit in violation of the laws and regulations, Articles of Associations or public undertakings within the most recent 36 months after listing;
- (iv) the implementation of the share incentive scheme is forbidden by the laws and regulations; and
- (v) other circumstances as determined by the CSRC.

2. *None of the following circumstances has occurred to the Adjusted Incentive Participants immediately prior to the commencement of the First Vesting Period:*

- (i) such Incentive Participant is deemed as an inappropriate candidate by the relevant stock exchange in the most recent 12 months;
- (ii) such Incentive Participant is deemed as an inappropriate candidate by the CSRC or its agency authorities in the most recent 12 months;
- (iii) such Incentive Participant has been imposed administrative penalties or is banned from the securities market by the CSRC or its agency authorities due to material non-compliance of laws and regulations in the most recent 12 months;
- (iv) occurrence of circumstances as stipulated in the Company Law under which such Incentive Participant is prohibited from acting as a director or member of the senior management of a company;

- (v) such Incentive Participant is prohibited by the law from participating in share incentive scheme of listed companies; and
- (vi) other circumstances as determined by the CSRC.

3. *Performance indicators of the Company*

Pursuant to the terms of the 2019 A Share Incentive Plan, the following performance targets must be fulfilled by the Company in its annual performance appraisal for the Share Options granted under the Adjusted Initial Grant to become vested:

Vesting period	Performance targets
First Vesting Period	The growth of operating revenue for 2019 is not less than RMB1.5 billion as compared with 2018
Second Vesting Period	The growth of operating revenue for 2020 is not less than RMB3.0 billion as compared with 2018
Third Vesting Period	The growth of operating revenue for 2021 is not less than RMB4.5 billion as compared with 2018

The operating revenue of the Company for 2019 is RMB12,872,206,437.16, the growth of which as compared with that for 2018 is RMB3.259 billion, and thus the performance target of the Company for the first Vesting Period was fulfilled.

4. *Performance appraisal for Incentive Participants*

In accordance with the Employee Performance Appraisal System (《員工績效考核制度》), the remuneration and appraisal committee of the Board shall conduct comprehensive appraisal of the Incentive Participants and grade the results for each assessment year. The proportion of the Share Options that can be vested shall be determined based on the appraisal results and in the following manner:

Number of Share Options vested to an Incentive Participant for the respective year = standard coefficient × the scheduled number of Share Options vested to the Incentive Participant for the respective year. The standard coefficient shall be 100% if the assessment result of the Incentive Participant is “B” or above (including “B-”), and shall be 0 if the assessment result is below “B”.

376 Adjusted Incentive Participants have reached the performance requirements at individual level and have fulfilled the conditions for the vesting of the first tranche of Share Options granted under the Adjusted Initial Grant for the first Vesting Period.

In light of the above, subject to there being no circumstances which would prohibit vesting having occurred as of the end date of the first withholding period, the vesting conditions for the First Vesting period of the first tranche of Share Options granted under the Adjusted Initial Grant have been fulfilled and a total of 2,390,426 units of Share Options will become vested to 376 Adjusted Incentive Participants during the first Vesting Period. Such Share Options shall only be exercised by the Adjusted Incentive Participants within the Vesting Periods. If the Share Options are not exercised within the Vesting Periods, such Share Options shall be cancelled by the Company.

OPINION OF THE INEDS

The independent non-executive Directors (the “**INEDs**”) had formed the following independent opinion:

Subject to there being no circumstances which would prohibit vesting having occurred as of the end date of the first withholding period, the vesting arrangements are in compliance with the relevant laws and regulations including the Administrative Measures, and are also in compliance with the requirements under the 2019 A Share Incentive Plan and the Administrative Measures for Appraisal System for the Restricted A Shares and Stock Option Incentive Plan of 2019 (the “**Administrative Measures for Appraisal System**”), and are not detrimental to the Company and the Shareholders as a whole. The vesting takes the form of voluntary vesting and the relevant vesting conditions have been fulfilled. The qualification of the 376 Adjusted Incentive Participants as incentive participants under the 2019 A Share Incentive Plan is legal and effective. As such, the INEDs agreed to a total of 2,390,426 units of the Share Options granted under the Adjusted Initial Grant becoming vested to 376 Adjusted Incentive Participants during the first Vesting Period in accordance with the relevant requirements of the 2019 A Share Incentive Plan.

EXAMINATION OPINION FROM THE SUPERVISORY COMMITTEE

The Supervisory Committee has examined the list of Adjusted Incentive Participants and was of the view that: (i) the Adjusted Incentive Participants under the Adjusted Initial Grant have the qualification required by laws, regulations and regulatory documents including the Company Law of the PRC and the Securities Law of the PRC, as well as the Articles of Association; (ii) the Adjusted Incentive Participants can fulfill the criteria as incentive participants as required under the Administrative Measures and other documents, and there are no circumstances under which the Adjusted Incentive Participants are prohibited from being incentive participants as set out under the Administrative Measures; (iii) the Adjusted Incentive Participants fall within the scope of incentive participants as set out under the 2019 A Share Incentive Plan and its extracts, and their qualification as incentive participants under the 2019 A Share Incentive Plan is legal and effective; and (iv) subject to there being no circumstances which would prohibit vesting having occurred as of the end date of the first withholding period, the vesting conditions for the first Vesting Period of the first tranche of share options granted under the Adjusted Initial Grant have been fulfilled. As such, the Supervisory Committee agreed to a total of 2,390,426 units of the Share Options granted under the Adjusted Initial Grant becoming vested to 376 Adjusted Incentive Participants during the first Vesting Period in accordance with the relevant requirements of the 2019 A Share Incentive Plan.

LEGAL OPINION FROM THE PRC COUNSEL OF THE COMPANY

Fangda Partners, the PRC legal advisor of the Company, is of the opinion that save for the Vesting Period of the first tranche of Share Options granted under the Adjusted Initial Grant commencing on May 25, 2021 and the relevant Adjusted Incentive Participants can only conduct vesting related matters thereafter, (i) the vesting of the first tranche of Share Options granted under the Adjusted Initial Grant is in compliance with the conditions under the 2019 A Share Incentive Plan and the Administrative Measures for Appraisal System; and (ii) the Company has fulfilled all necessary procedures for the vesting of the first tranche of Share Options granted under the Adjusted Initial Grant and is in compliance with the requirements under the laws of the PRC and the 2019 A Share Incentive Plan.

By order of the Board
WuXi AppTec Co., Ltd.*
Dr. Ge Li
Chairman

Hong Kong, April 28, 2021

As of the date of this announcement, the Board of the Company comprises Dr. Ge Li, Mr. Edward Hu, Dr. Steve Qing Yang, Mr. Zhaohui Zhang and Dr. Ning Zhao as executive Directors, Mr. Xiaomeng Tong and Dr. Yibing Wu as non-executive Directors and Dr. Jiangnan Cai, Ms. Yan Liu, Mr. Dai Feng, Dr. Hetong Lou and Mr. Xiaotong Zhang as independent non-executive Directors.

* *For identification purposes only*