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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 adviser.

If you have sold or transferred all your shares in WuXi AppTec Co., Ltd.* (無錫藥明康德新藥開發股份有限公司), you should at once hand this circular, together with the enclosed Forms 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 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)

- (1) WORK REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2023;
- (2) WORK REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2023;
- (3) FINANCIAL REPORT FOR THE YEAR 2023;
- (4) PROPOSED 2023 PROFIT DISTRIBUTION PLAN;
- (5) PROPOSED PROVISION OF EXTERNAL GUARANTEES FOR SUBSIDIARIES;
- (6) PROPOSED RE-APPOINTMENT OF AUDITORS FOR THE YEAR 2024;
- (7) PROPOSED FOREIGN EXCHANGE HEDGING LIMIT;
- (8) PROPOSED CHANGE OF REGISTERED CAPITAL AND PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
- (9) PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE FOR SHAREHOLDERS' MEETINGS;
- (10) PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE FOR BOARD MEETINGS;
- (11) PROPOSED AMENDMENTS TO THE CONNECTED TRANSACTIONS MANAGEMENT POLICY;
- (12) PROPOSED AMENDMENTS TO THE EXTERNAL GUARANTEES AND PROVISION OF FINANCIAL ASSISTANCE POLICY;
- (13) PROPOSED AMENDMENTS TO THE MANAGEMENT MEASURES ON RAISED FUNDS;
- (14) PROPOSED AMENDMENTS TO THE WORK POLICIES OF THE INDEPENDENT DIRECTORS;
- (15) PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE A SHARES AND/OR H SHARES;
- (16) PROPOSED GRANTING OF REPURCHASE MANDATE TO REPURCHASE A SHARES AND/OR H SHARES;
- (17) PROPOSED ADOPTION OF THE 2024 H SHARE AWARD AND TRUST SCHEME;
- (18) PROPOSED AUTHORIZATION TO THE BOARD AND/OR THE DELEGATEE TO HANDLE MATTERS PERTAINING TO THE 2024 H SHARE AWARD AND TRUST SCHEME;
AND
- (19) NOTICES OF 2023 AGM AND 2024 SECOND H SHARE CLASS MEETING

The notice convening the 2023 AGM to be held at Sheraton Shanghai Waigaoqiao Hotel, 28 Jilong Road, Pilot Free Trade Zone, Shanghai, China on Wednesday, June 12, 2024 at 2:00 p.m. are set out on pages AGM-1 to AGM-13 in this circular. The notice convening the 2024 Second H Share Class Meeting to be held on the same date and at the same place immediately after the 2023 AGM and the 2024 Second A Share Class Meeting is set out on pages HCM-1 to HCM-5 of this circular.

Whether or not you are able to attend the 2023 AGM and/or the 2024 Second H Share Class Meeting, please complete and sign the enclosed Forms of Proxy for use at the 2023 AGM and/or the 2024 Second H Share Class Meeting in accordance with the instructions printed thereon and return them to the H 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 24 hours before the time appointed for the 2023 AGM and/or the 2024 Second H Share Class Meeting (i.e. not later than 2:00 p.m. on Tuesday, June 11, 2024 (Hong Kong time)) or the adjourned meeting (as the case may be). Completion and return of the Forms of Proxy will not preclude Shareholders from attending and voting in person at the 2023 AGM and/or the 2024 Second H Share Class Meeting if they so wish.

This circular together with the Forms of Proxy are also published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.wuxiapptec.com.cn).

References to time and dates in this circular are to Hong Kong time and dates.

* For identification purpose only

May 10, 2024

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EXPECTED TIMETABLE

The expected timetable for the 2023 Profit Distribution, which is subject to Shareholders' approval at the 2023 AGM, as set forth below is indicative only and has been prepared on the assumption that all conditions of 2023 Profit Distribution will be fulfilled. Any consequential changes to the expected timetable will be announced in a separate announcement by the Company as and when appropriate.

Last day of dealings in H Shares on a cum-entitlement basis Friday, June 14, 2024

First day of dealings in H Shares on an ex-entitlement basis Monday, June 17, 2024

Latest time for lodging transfer documents of H Shares for
entitlement to the 2023 Profit Distribution. 4:30 p.m., Tuesday, June 18, 2024

Book closure period for determining H Shareholders' entitlement
to the 2023 Profit Distribution^(Note 1) Wednesday, June 19, 2024
to Tuesday, June 25, 2024^(Note 2)

Record date for determining H Shareholders' entitlement to the
2023 Profit Distribution Tuesday, June 25, 2024

Register of H Shareholders of the Company reopens Wednesday, June 26, 2024

Notes:

1. If there is a tropical cyclone warning signal number 8 or above, or a black rainstorm warning:
 - (a) in force in Hong Kong at any local time before 12:00 noon but no longer in force after 12:00 noon, the latest time for lodging transfer documents will remain at 4:30 p.m. on the same Business Day;
 - (b) in force in Hong Kong at any local time between 12:00 noon and 4:30 p.m., the latest time for lodging transfer documents will be rescheduled to 4:30 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:30 p.m.
2. Both days inclusive.

DEFINITIONS

“2018 A Share Incentive Plan”	the share incentive scheme adopted by the Company on August 22, 2018, the principal terms of which are summarized in the Prospectus in “Appendix VI — Statutory and General Information — 2. Further Information about our Business — B. Share Incentive Schemes — (A) 2018 WuXi AppTec A Share Incentive Scheme”
“2019 A Share Incentive Plan”	2019 Restricted A Shares and Stock Option Incentive Plan of the Company adopted on September 22, 2019, the details of which are disclosed in the circular of the Company dated August 5, 2019
“2023 AGM”	the annual general meeting of the Company to be held at Sheraton Shanghai Waigaoqiao Hotel, 28 Jilong Road, Pilot Free Trade Zone, Shanghai, China on June 12, 2024 at 2:00 p.m. (or any adjournment thereof), to consider and, if appropriate, approve resolutions contained in the notice of the 2023 AGM which is set out on page AGM-1 to AGM-13 of this circular, or any adjournment thereof
“2023 H Share Award and Trust Scheme” or “2023 Scheme”	the 2023 H Share award and trust scheme adopted by the Company in accordance with the 2023 Scheme Rules and which was subsequently terminated on October 30, 2023
“2023 Profit Distribution”	the proposed distribution of cash dividend to be conducted by the Company in accordance with the 2023 Profit Distribution Plan
“2023 Profit Distribution Plan”	the profit distribution plan of the Company for the year ended December 31, 2023 as further particularized in the section headed “Letter from the Board — 5. Proposed 2023 Profit Distribution Plan” of this circular
“2023 Scheme Rules”	the rules governing the operation of the 2023 Scheme as well as the implementation procedures (as amended from time to time)

DEFINITIONS

“2023 Scheme Trustee”	the trustee appointed by the Company for the purpose of the trust constituted by the trust deed to service the 2023 Scheme, being Maples Trustee Services (Cayman) Limited, a company incorporated in the Cayman Islands and having its registered office at Boundary Hall, Cricket Square, George Town, Grand Cayman, Cayman Islands
“2024 H Share Award and Trust Scheme” or “2024 Scheme”	the 2024 H Share award and trust scheme proposed to be adopted by the Company in accordance with the 2024 Scheme Rules
“2024 Scheme Rules”	the rules governing the operation of the 2024 Scheme as well as the implementation procedures (as amended from time to time)
“2024 Second A Share Class Meeting”	the second A Share class meeting of the Company of 2024
“2024 Second H Share Class Meeting”	the second H Share class meeting of the Company of 2024 to be held at Sheraton Shanghai Waigaoqiao Hotel, 28 Jilong Road, Pilot Free Trade Zone, Shanghai, China on Wednesday, June 12, 2024 immediately after the conclusion of the 2023 AGM and the 2024 Second A Share Class Meeting to consider and, if appropriate, approve the resolution contained in the notice of meeting which are set out on pages HCM-1 to HCM-5 of this circular, or any adjournment thereof
“A Share Repurchase”	repurchase of 20,275,407 A Shares from the Shanghai Stock Exchange through bidding, the cancellation of which took place on March 20, 2024
“A Share(s)”	ordinary share(s) of the Company with nominal value of RMB1.00 each listed on the Shanghai Stock Exchange
“A Shareholder(s)”	the holder(s) of A Shares
“A Share Class Meeting”	an A Share class meeting of the Company

DEFINITIONS

“Acquired Award Shares”	the 15,467,500 H Shares of the Company acquired by the 2023 Scheme Trustee through on-market transaction as the source of the award shares of the 2023 H Share Award and Trust Scheme
“Actual Selling Price”	the actual price at which the Award Shares are sold (net of brokerage, stamp duty, any taxes, Stock Exchange trading fee, SFC transaction levy and any other applicable costs) on vesting of an Award pursuant to the 2024 Scheme, or in the case of a vesting when there is an event of change in control or privatisation of the Company pursuant to the 2024 Scheme Rules, the consideration receivable under the related scheme or offer
“Articles of Association”	the articles of association of the Company currently in force
“associate”	shall have the meaning as set out in the Listing Rules
“Award”	an award granted by the Board to a Selected Participant, which may vest in the form of Award Shares or the Actual Selling Price of the Award Shares in cash, as the Board may determine in accordance with the terms of the 2024 Scheme Rules
“Award Letter”	a letter issued by the Company to each Selected Participant in such form as the Board or the Delegatee may from time to time determine, specifying the Grant Date, the manner of acceptance of the Award, the number of Award Shares underlying the Award, the vesting criteria and conditions, and the Vesting Date and such other details, terms and conditions as they may consider necessary and in accordance with the 2024 Scheme
“Award Period”	the period commencing on the date on which the Shareholders approved the 2024 Scheme, and ending on the Business Day immediately prior to the 10 th anniversary of the date on which the Shareholders approved the 2024 Scheme

DEFINITIONS

“Award Shares”	the H Shares granted to a Selected Participant in an Award
“Board” or “Board of Directors”	the board of Directors of the Company
“Business Day”	any day on which the Stock Exchange is open for the business of dealing in securities
“CCASS”	Central Clearing and Settlement System
“Class Meetings”	the 2024 Second A Share Class Meeting and the 2024 Second H Share Class Meeting
“Code on Share Buy-backs”	the code on share buy-backs published by the SFC
“Company”	WuXi AppTec Co., Ltd.* (無錫藥明康德新藥開發股份有限公司), a joint stock limited company incorporated under the laws of the PRC
“connected person(s)”	shall have the meaning as set out in the Listing Rules
“Connected Selected Participants”	Selected Participants who are connected persons of the Group, as determined by the Board or the Delegatee in accordance with the 2024 Scheme Rules and pursuant to the authorization of the Shareholders. Prior to the actual grant of Awards, subject to possible adjustments, as at the Latest Practicable Date, the Connected Selected Participants are expected to include Dr. Ge Li, Dr. Minzhang Chen, Mr. Edward Hu, Dr. Steve Qing Yang, Mr. Zhaohui Zhang, Ms. Ming Shi, Dr. Hao Wu, Dr. Richard Connell, Mr. Joseph Beckman, Mr. Albert Bristow, Mr. Feng Zhang, Ms. Minfang Zhu, Ms. Wendy J. Hu and Ms. Jingna Kang
“Connected Transactions Management Policy”	the connected transactions management policy of the Company
“Delegatee(s)”	the Executive Committee
“Director(s)”	the director(s) of the Company

DEFINITIONS

“Effective Date”	June 11, 2024, being the effective date of the amendments to the Listing Rules in relation to treasury shares
“Eligible Employee(s)”	any individual, being a Director, Supervisor, senior management member, mid-level manager, basic-level manager, backbone member of the scientists, other technicians, who is a full-time PRC or non-PRC employee of any members of the Group; however, no individual who is resident in a place where the grant, acceptance or vesting of an Award pursuant to the 2024 Scheme is not permitted under the laws and regulations of such place or where, in the view of the Board or the Delegatee, compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual, shall be entitled to participate in the 2024 Scheme and such individual shall therefore be excluded from the scope of Eligible Employees
“employee”	an employee who has entered into a formal employment contract with the relevant member of the Group
“Executive Committee”	the executive committee of the Company, to whom the Board will delegate its authority to administer the 2024 Scheme
“External Guarantees and Provision of Financial Assistance Policy”	the external guarantees and provision of financial assistance policy of the Company
“Forms of Proxy”	the forms of proxy of the Company in respect of the resolutions set out in the notice of the 2023 AGM and the notice of the 2024 Second H Share Class Meeting
“Founding Individuals”	Dr. Ge Li, Mr. Zhaohui Zhang and Mr. Xiaozhong Liu

DEFINITIONS

“General Mandate”	an unconditional and general mandate proposed to be granted to the Directors to allot, issue or deal with additional A Shares and/or H Shares of not exceeding 20% of the respective total number of issued A Shares and/or H Shares as at the date of passing of the proposed special resolution contained in item 17 of the notice of the 2023 AGM
“Grant Date”	the date on which the grant of an Award is made to a Selected Participant
“Group”	the Company and its subsidiaries from time to time, and the expression <i>member of the Group</i> shall be construed accordingly
“H Share(s)”	the overseas-listed foreign share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange
“H Shareholder(s)”	the holder(s) of H Shares
“H Share Class Meeting”	an H Share class meeting of the Company
“H Share Registrar”	Tricor Investor Services Limited, the H Share registrar of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange” and “Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	May 6, 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing”	the listing of the H Shares on the Main Board of the Stock Exchange on December 13, 2018

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“Management Measures on Raised Funds”	the management measures on raised funds of the Company
“Nomination Committee”	the nomination committee of the Board
“on-market”	the acquisition of H Shares of the Company through one or more transactions through the facilities of the Stock Exchange in accordance with the Listing Rules, Code on Share Buy-backs and any other applicable laws and regulations
“PRC”	the People’s Republic of China which, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Prospectus”	the prospectus of the Company dated December 3, 2018
“Remuneration and Appraisal Committee”	the remuneration and appraisal committee of the Board
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors as set out in item 18 of the notice of the 2023 AGM and item 1 of the notice of the 2024 Second H Share Class Meeting
“Restricted A Share(s)”	the restricted A Shares granted by the Company under the 2018 A Share Incentive Plan and the 2019 A Share Incentive Plan
“Returned Shares”	such Award Shares that are not vested and/or are forfeited in accordance with the terms of the 2024 Scheme Rules, or such H Shares being deemed to be Returned Shares under the 2024 Scheme Rules
“RMB”	Renminbi, the lawful currency of the PRC

DEFINITIONS

“Rules of Procedure for Board Meetings”	the rules of procedure of Board meetings of the Company
“Rules of Procedure for Shareholders’ Meetings”	the rules of procedure for Shareholders’ meetings of the Company
“Scheme Limit”	means the maximum size of the 2024 Scheme, being the maximum number of H Shares that will be acquired by the Scheme Trustee through on-market transactions from time to time at the prevailing market price with funds in the amount of not more than HK\$2 billion, provided that the maximum number of H Shares to be so acquired by the Scheme Trustee shall be determined by the Board and/or the Delegatee and which shall in any event not render the Company unable to maintain the public float as required under the Listing Rules as modified by the waiver granted by the Stock Exchange upon the Listing
“Scheme Trustee”	the trustee appointed by the Company for the purpose of the Trust, and initially, Computershare Hong Kong Trustees Limited, a company incorporated in Hong Kong and having its registered office at 46th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong
“Selected Participant(s)”	any Eligible Employee who is approved for participation in the 2024 Scheme and has been granted any Award in accordance with the 2024 Scheme Rules
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shanghai Stock Exchange”	Shanghai Stock Exchange (上海證券交易所)
“Share(s)”	share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, including both A Share(s) and H Share(s)

DEFINITIONS

“Shareholder(s)”	holder(s) of Share(s)
“SPA”	the sale and purchase agreement entered into between the Company and the 2023 Scheme Trustee for the 2023 Scheme Trustee to sell, and the Company to repurchase, the Acquired Award Shares in the amount of 15,467,500 H Shares at the same purchase price the scheme trustee paid for the acquisition of the Acquired Award Shares
“Supervisor(s)”	member(s) of the Supervisory Committee
“Supervisory Committee”	the supervisory committee of the Company
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs approved by the Securities and Futures Commission as amended from time to time
“treasury shares”	shall have the meaning as set out in the Listing Rules which will come into effect on June 11, 2024 and as amended from time to time
“Treasury H Shares”	H Shares held as treasury shares
“Trust”	the trust constituted by the Trust Deed to service the 2024 Scheme
“Trust Deed”	the trust deed to be entered into between the Company and the Scheme Trustee (as may be restated, supplemented and amended from time to time)
“US\$”	United States dollars, the lawful currency of the United States of America
“Vesting Date(s)”	the date or dates, as determined from time to time by the Board or the Delegate on which the Award (or part thereof) is to vest in the relevant Selected Participant, unless a different Vesting Date is deemed to occur in accordance with the 2024 Scheme Rules

DEFINITIONS

“Vesting Notice”	the vesting notice to be sent to the relevant Selected Participant within a reasonable time period as agreed between the Scheme Trustee and the Board from time to time prior to any Vesting Date
“Vesting Period(s)”	the vesting period(s) of the Awards granted under the 2024 Scheme
“Work Policies of the Independent Directors”	the work policies of the independent Directors of the Company

In this circular, unless the context otherwise requires, any reference to the singular includes the plural and vice versa and any reference to a gender includes a reference to the other gender and the neuter. Further, certain amounts and percentage figures included in this circular have been subject to rounding adjustments. Accordingly, figures shown as totals in certain paragraphs and tables in this circular may not be an arithmetic aggregation of the figures preceding them.

** For identification purpose only*

LETTER FROM THE BOARD



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)

Executive Directors:

Dr. Ge Li (Chairman and chief executive officer)
Dr. Minzhang Chen (Co-chief executive officer)
Mr. Edward Hu (Vice chairman and
global chief investment officer)
Dr. Steve Qing Yang (Co-chief executive officer)
Mr. Zhaohui Zhang

Non-executive Directors:

Mr. Xiaomeng Tong
Dr. Yibing Wu

Independent Non-executive Directors:

Ms. Christine Shaohua Lu-Wong
Dr. Wei Yu
Dr. Xin Zhang
Ms. Zhiling Zhan
Mr. Dai Feng

Registered Office:

Mashan No. 5 Bridge
Binhu District, WuXi
Jiangsu Province
PRC

*Headquarters and Principal Place
of Business in the PRC:*

288 Fute Zhong Road
Waigaoqiao Free Trade Zone
Shanghai
PRC

*Principal Place of Business in
Hong Kong:*

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

May 10, 2024

To the Shareholders

Dear Sir/Madam,

- (1) WORK REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2023;
- (2) WORK REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2023;
- (3) FINANCIAL REPORT FOR THE YEAR 2023;
- (4) PROPOSED 2023 PROFIT DISTRIBUTION PLAN;
- (5) PROPOSED PROVISION OF EXTERNAL GUARANTEES FOR SUBSIDIARIES;
- (6) PROPOSED RE-APPOINTMENT OF AUDITORS FOR THE YEAR 2024;
- (7) PROPOSED FOREIGN EXCHANGE HEDGING LIMIT;
- (8) PROPOSED CHANGE OF REGISTERED CAPITAL AND
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
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- (10) PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE
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OF THE INDEPENDENT DIRECTORS;
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TO REPURCHASE A SHARES AND/OR H SHARES;
- (17) PROPOSED ADOPTION OF THE 2024 H SHARE AWARD AND TRUST SCHEME;
- (18) PROPOSED AUTHORIZATION TO THE BOARD AND/OR THE DELEGATEE TO HANDLE
MATTERS PERTAINING TO THE 2024 H SHARE AWARD AND TRUST SCHEME;
AND
- (19) NOTICES OF 2023 AGM AND 2024 SECOND H SHARE CLASS MEETING

* For identification purpose only

LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this circular is to provide the H Shareholders with information in respect of certain resolutions to be proposed at the 2023 AGM and the 2024 Second H Share Class Meeting to be held on Wednesday, June 12, 2024, and to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the 2023 AGM and the 2024 Second H Share Class Meeting. For the details of the proposed resolutions at the 2023 AGM and the 2024 Second H Share Class Meeting, please also refer to the notices of the 2023 AGM and the 2024 Second H Share Class Meeting enclosed with this circular.

2. WORK REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2023

An ordinary resolution will be proposed at the 2023 AGM for the Shareholders to consider and approve the work report of the Board for the year 2023, the text of which is set out in Appendix I to this circular.

3. WORK REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2023

An ordinary resolution will be proposed at the 2023 AGM for the Shareholders to consider and approve the work report of the Supervisory Committee for the year 2023, the text of which is set out in Appendix II to this circular.

4. FINANCIAL REPORT FOR THE YEAR 2023

An ordinary resolution will be proposed at the 2023 AGM for the Shareholders to consider and approve the Company's audited financial report for the year 2023 (the "**Financial Report for the Year 2023**"), the text of which is set out in Appendix III to this circular.

5. PROPOSED 2023 PROFIT DISTRIBUTION PLAN

An ordinary resolution will be proposed at the 2023 AGM for the Shareholders to consider and approve the proposed 2023 Profit Distribution Plan.

The Board proposed a profit distribution plan for the year ended December 31, 2023 as follows: a cash dividend of RMB9.8336 (inclusive of tax) for every 10 Shares (representing an aggregate amount of RMB2,882,031,329.68 (inclusive of tax) based on the remaining number of shares after deducting the number of repurchased shares in the Company's repurchase designated account as of March 15, 2024 from the total issued share capital of the Company as at March 19, 2024) to be paid to all Shareholders. The total amount of cash dividends paid by the Company in the current year represents 30.00% of the annual net profit attributable to the Shareholders of the

LETTER FROM THE BOARD

Company. If there are changes to the total issued share capital of the Company which is entitled to the profit distribution during the period from March 15, 2024 to the record date for the implementation of the profit distribution (the “**Reference Period**”), the distribution will be conducted on the basis that the total amount of the profit distribution remaining unchanged and the per share distribution amount being adjusted accordingly. Further announcement(s) will be made in relation to such adjustment.

The cash dividend will also be paid on a pro-rated basis for Shareholders who hold Shares in odd lot (i.e. RMB0.98336 per ordinary Share on the assumption that there were no changes to the total issued share capital of the Company which is entitled to the profit distribution during the Reference Period). The exchange rate to be used to convert the cash dividend from RMB to HK\$ will be the average of the medium rate of RMB to HK\$ announced by the People’s Bank of China for five working days (the “**Medium Rate**”) prior to and including June 12, 2024, the date on which the 2023 Profit Distribution is to be declared at the 2023 AGM. For illustration purpose, the Medium Rate at March 19, 2024 is RMB0.90772 to HK\$1. Hence, H Shareholders will receive approximately HK\$10.83 for every 10 H Shares held by them, based on the remaining number of shares after deducting the number of repurchased shares in the Company’s repurchase designated account as of March 15, 2024 from the total issued share capital of the Company as at March 19, 2024. Further announcement(s) will be made in relation to any adjustment to the per share distribution amount as a result of changes to the total issued share capital of the Company which is entitled to the profit distribution during the Reference Period.

The 2023 Profit Distribution Plan is subject to the approval of the Shareholders by way of ordinary resolution at the 2023 AGM to be held on June 12, 2024.

Subject to the arrangements under the Northbound Trading or Southbound Trading (defined below) as disclosed in detail below, the 2023 Profit Distribution will be declared according to the Articles of Association. Dividend on A Shares will be paid in RMB and dividend on H Shares will be paid in HK\$.

Effect to the Shareholding upon Completion of the 2023 Profit Distribution Plan

As the 2023 Profit Distribution Plan does not involve any allotment and issuance of new Shares by the Company, the completion of the 2023 Profit Distribution Plan will not have any effect on the shareholding structure of the Company.

LETTER FROM THE BOARD

Tax Arrangements in respect of the 2023 Profit Distribution

In accordance with the Regulation on the Implementation of the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法實施條例》) which came into effect on January 1, 2008 and last amend on April 23, 2019 and the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) which was last amended and came into effect on December 29, 2018, and the “Notice on Issues in Relation to the Withholding of Enterprise Income Tax on Dividends Paid by PRC Enterprises to Overseas Non-resident Enterprise Holders of H Shares” (Guo Shui Han [2008] No. 897) (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號)) promulgated on November 6, 2008, the Company is obliged to withhold and pay PRC enterprise income tax on behalf of non-resident enterprise Shareholders at a tax rate of 10%, when the Company distributes annual dividend to non-resident enterprise Shareholders whose names appear on the H Shares register of members. As such, any H Shares registered in the name of non-individual Shareholder, including shares registered in the name of HKSCC Nominees Limited, and other nominees, trustees, or other organizations and groups, shall be deemed to be H Shares held by non-resident enterprise Shareholder(s), and the PRC enterprise income tax shall be withheld from any dividends payable thereon. Non-resident enterprise Shareholders may wish to apply for a tax refund (if any) in accordance with the relevant requirements, such as tax agreements (arrangements), upon receipt of any dividends.

In accordance with the “Notice on Certain Issues Concerning the Policies of Individual Income Tax” (Cai Shui Zi [1994] No. 020) (《關於個人所得稅若干政策問題的通知》(財稅字[1994]020號)) promulgated by the PRC Ministry of Finance and the State Administration of Taxation on May 13, 1994, overseas individuals are, as an interim measure, exempted from the PRC individual income tax for dividends or bonuses received from foreign-invested enterprises. Therefore, the Company will not be required to withhold and pay any individual income tax on behalf of overseas individual Shareholders when the Company distributes the dividend to overseas individual Shareholders whose names appear on the H Share register of members.

Profit Distribution to Investors of Northbound Trading

For investors of the Hong Kong Stock Exchange (including enterprises and individuals) investing in the A Shares of the Company listed on the Shanghai Stock Exchange (the “**Northbound Trading**”), their dividends will be distributed in RMB by the Company through the Shanghai Branch of China Securities Depository and Clearing Corporation Limited to the account of the nominee holding such Shares. The Company will withhold and pay income taxes at the rate of 10% on behalf of those investors and will report to the tax authorities for the withholding. For investors of Northbound Trading who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises and individuals may, or may entrust a withholding agent

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to, apply to the competent tax authorities for the entitlement of the rate under such tax treaty. Upon approval by the competent tax authorities, the paid amount in excess of the tax payable based on the tax rate according to such tax treaty will be refunded.

The record date and the date of distribution of cash dividends and other arrangements for the investors of Northbound Trading will be the same as those for the A Shareholders of the Company.

Profit Distribution to Investors of Southbound Trading

For investors of the Shanghai Stock Exchange and Shenzhen Stock Exchange (including enterprises and individuals) investing in the H Shares of the Company listed on the Hong Kong Stock Exchange (the “**Southbound Trading**”), the cash dividends for the investors of H Shares of Southbound Trading will be paid in RMB. The record date and the date of distribution of cash dividends and other arrangements for the investors of Southbound Trading will be the same as those for the H Shareholders of the Company.

Shanghai-Hong Kong Stock Connect: Pursuant to the relevant requirements under the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Caishui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2014]81號)》), for dividends received by domestic individual investors from investing in H Shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the company of such H shares shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The company of such H shares will not withhold and pay the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves.

Shenzhen-Hong Kong Stock Connect: Pursuant to the relevant requirements under the Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (Caishui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2016]127號)》), for dividends received by domestic individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the company of such H shares shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from investing in shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The company of such H shares will not withhold and pay the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves.

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Shareholders are suggested to consult their tax consultants regarding the tax impacts in the PRC, Hong Kong and other countries (regions) for holding and selling the Shares.

Closure of Register of Members

In order to determine the list of H Shareholders who are entitled to the 2023 Profit Distribution, the Company's register of H Shareholders will be closed from Wednesday, June 19, 2024 to Tuesday, June 25, 2024, both days inclusive, during which period no transfer of H Shares will be effected. H Shareholders whose names appear on the Company's register of H Shareholders on Tuesday, June 25, 2024 are entitled to receive the 2023 Profit Distribution. In order to receive the 2023 Profit Distribution, H Shareholders whose transfers have not been registered shall deposit the transfer documents together with the relevant share certificates at the H Share Registrar, Tricor Investor Services Limited, at or before 4:30 p.m. on Tuesday, June 18, 2024 at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

Warning of Risks of Dealing in the H Shares

H Shareholders should note that the existing H Shares are expected to be dealt in on an ex-entitlement basis for entitlement to the 2023 Profit Distribution from Monday, June 17, 2024. If the 2023 Profit Distribution is not approved by the Shareholders by way of ordinary resolution at the 2023 AGM, the 2023 Profit Distribution will not proceed. If in doubt, investors are recommended to consult their professional advisers.

Reasons for the 2023 Profit Distribution

Based on the positive expectations on the future development of the Company, and with reference to the operating results and the overall financial status of the Company, the Board proposed the 2023 Profit Distribution so as to share the fruitful result of the Company's business performance with the Shareholders.

Further Issue of Securities

As at the Latest Practicable Date, the Company does not anticipate there is any public or private issue or placing of securities of the Company other than any options which may be issued pursuant to the 2019 A Share Incentive Plan.

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6. PROPOSED PROVISION OF EXTERNAL GUARANTEES FOR SUBSIDIARIES

An ordinary resolution will be proposed at the 2023 AGM for the Shareholders to consider and approve the maximum amount of financial guarantees to be provided by the Company for certain subsidiaries of the Company, details of which are set out in Appendix IV to this circular.

7. PROPOSED RE-APPOINTMENT OF AUDITORS FOR THE YEAR 2024

An ordinary resolution will be proposed at the 2023 AGM to consider and approve the re-appointment of Deloitte Touche Tohmatsu (a special general partnership) (德勤華永會計師事務所(特殊普通合夥)) as PRC financial report and internal control report auditors of the Company for the year 2024, and to consider and approve the re-appointment of Deloitte Touche Tohmatsu (德勤 • 關黃陳方會計師行) as offshore financial report auditors of the Company for the year 2024.

The remuneration paid to Deloitte Touche Tohmatsu (a special general partnership) (德勤華永會計師事務所(特殊普通合夥)) for providing domestic financial report and internal control auditing services for the Company within the scope of the consolidated financial statements for the year 2023 amounted to RMB3,410,000.00, and the remuneration paid to Deloitte Touche Tohmatsu (德勤 • 關黃陳方會計師行) for providing international financial report auditing services for the Company within the scope of the consolidated financial statements for the year 2023 amounted to RMB1,550,000.00.

It will also be proposed at the 2023 AGM that the Board be authorized to determine the remuneration of the PRC and offshore auditors for the year 2024 based on the actual work conducted.

8. PROPOSED FOREIGN EXCHANGE HEDGING LIMIT

An ordinary resolution will be proposed at the 2023 AGM for the Shareholders to consider and approve the granting of limit on engaging in foreign exchange hedging, details of which are set out in Appendix V to this circular.

9. PROPOSED CHANGE OF REGISTERED CAPITAL AND PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Reference is made to the relevant announcement of the Company dated April 29, 2024 in relation to, among other things, the proposed change of registered capital of the Company.

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Pursuant to the authorization granted by Shareholders at general meeting, Mr. Edward Hu approved and agreed in writing the conversion of certain of the US\$300 million zero coupon convertible bonds due 2024 issued by the Company into an aggregate of 5,215,825 H Shares of the Company by the relevant bondholders, and such H Shares were issued on March 23, 2023 and April 3, 2023.

From March 22, 2023 to April 1, 2024, the Company has completed the registration of a total of 1,800,126 A Shares, being the underlying shares of the exercised share options granted under the adjusted initial grant of the 2019 A Share Incentive Plan within the second and third vesting periods.

Due to 11 incentive participants under the 2019 A Share Incentive Plan either resigning or not having any performance appraisal results since the incentive participants did not participate in the 2021 annual comprehensive assessment due to insufficient working hours, a total of 24,357 Restricted A Shares were repurchased and cancelled and the relevant procedures were completed on October 25, 2023.

On January 18, 2024, the Company has completed the cancellation of 15,467,500 H Shares which were directly purchased from the 2023 Scheme Trustee following the termination of the 2023 H Share Award and Trust Scheme.

On March 20, 2024, the Company has completed the cancellation of 20,275,407 A Shares, the repurchase of which was completed on February 5, 2024.

As a result of the abovementioned changes, the Board proposes to change the Company's registered capital from RMB2,962,088,310 divided into 2,962,088,310 Shares to RMB2,933,336,997 divided into 2,933,336,997 Shares.

Reference is made to the relevant announcements of the Company dated March 18, 2024 and April 29, 2024 in relation to, among other things, the proposed amendments to the Articles of Association. In light of (i) the Trial Measures for the Administration of Overseas Issuance and Listing of Securities by Domestic Enterprise (境內企業境外發行證券和上市管理試行辦法) promulgated by the China Securities Regulatory Commission (the "CSRC") which took effect on March 31, 2023, (ii) the amendments to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited which took effect on August 1, 2023, (iii) the Administrative Measures for Independent Directors of Listed Companies (上市公司獨立董事管理辦法) promulgated by the CSRC which took effect on September 4, 2023, (iv) the Guidelines for the Articles of Association of Listed Companies (上市公司章程指引), the Regulatory Guidance No. 3 of Listed Companies Cash Dividend of Listed Companies (上市公司監管指引第3號 — 上市公司現金分紅) and the Rules for Share Repurchases of Listed Companies (上市公司股份回購規

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則) promulgated by the CSRC which took effect on December 15, 2023, (v) the ancillary regulations promulgated by the Shanghai Stock Exchange, as well as the actual situation of the Company, and (vi) the abovementioned proposed change of registered capital of the Company, the Board proposes to make relevant amendments to the Articles of Association (the “**Proposed Amendments to the Articles of Association**”). The Proposed Amendments to the Articles of Association do not involve amendment or deletion of provisions regarding special procedures for voting by class Shareholders in the Articles of Association.

The Company proposed that the Board be authorized to further authorize the Chairman or other persons as further authorized by him to handle relevant filing and registration procedures in relation to the proposed change of registered capital of the Company and the Proposed Amendments to the Articles of Association.

A special resolution will be proposed at the 2023 AGM for the Shareholders to consider and approve the proposed change of registered capital of the Company and the Proposed Amendments to the Articles of Association and the relevant authorization as aforementioned, details of which are set out in Appendix VI to this circular.

10. PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE FOR SHAREHOLDERS’ MEETINGS

In light of the abovementioned Proposed Amendments to the Articles of Association, as well as the actual situation of the Company, the Board proposed to make the relevant amendments to the Rules of Procedure for Shareholders’ Meetings.

A special resolution will be proposed at the 2023 AGM for the Shareholders to consider and approve the proposed amendments to the Rules of Procedure for Shareholders’ Meetings, details of which are set out in Appendix VII to this circular.

11. PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE FOR BOARD MEETINGS

In light of the abovementioned Proposed Amendments to the Articles of Association, as well as the actual situation of the Company, the Board proposed to make the relevant amendments to the Rules of Procedure for Board Meetings.

A special resolution will be proposed at the 2023 AGM for the Shareholders to consider and approve the proposed amendments to the Rules of Procedure for Board Meetings, details of which are set out in Appendix VIII to this circular.

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12. PROPOSED AMENDMENTS TO THE CONNECTED TRANSACTIONS MANAGEMENT POLICY

In order to implement the reform of the independent Director system, in accordance with the Administrative Measures for Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) promulgated by the CSRC which took effect on September 4, 2023, and the ancillary regulations promulgated by the Shanghai Stock Exchange, as well as the actual situation of the Company, the Board proposed to make the relevant amendments to the Connected Transactions Management Policy.

An ordinary resolution will be proposed at the 2023 AGM for the Shareholders to consider and approve the proposed amendments to the Connected Transactions Management Policy, details of which are set out in Appendix IX to this circular.

13. PROPOSED AMENDMENTS TO THE EXTERNAL GUARANTEES AND PROVISION OF FINANCIAL ASSISTANCE POLICY

In order to implement the reform of the independent Director system, in accordance with the Administrative Measures for Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) promulgated by the CSRC which took effect on September 4, 2023, and the ancillary regulations promulgated by the Shanghai Stock Exchange, as well as the actual situation of the Company, the Board proposed to make the relevant amendments to the External Guarantees and Provision of Financial Assistance Policy.

An ordinary resolution will be proposed at the 2023 AGM for the Shareholders to consider and approve the proposed amendments to the External Guarantees and Provision of Financial Assistance Policy, details of which are set out in Appendix X to this circular.

14. PROPOSED AMENDMENTS TO THE MANAGEMENT MEASURES ON RAISED FUNDS

In order to further improve the management of the Company's raised funds and implement the reform of the independent Director system, in accordance with the Guidelines for the Supervision of Listed Companies No. 2 — Regulatory Requirements for the Management and Usage of Raised Funds of Listed Companies (《上市公司監管指引第2號 — 上市公司募集資金管理和使用的監管要求》), the Shanghai Stock Exchange Self-Regulatory Supervision Guidelines for Listed Companies No. 1 — Standardized Operation (《上海證券交易所上市公司自律監管指引第1號 — 規範運作》), the Administrative Measures for Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) promulgated by the CSRC which took effect on September 4,

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2023, and the ancillary regulations promulgated by the Shanghai Stock Exchange, as well as the actual situation of the Company, the Board proposed to make the relevant amendments to the Management Measures on Raised Funds.

An ordinary resolution will be proposed at the 2023 AGM for the Shareholders to consider and approve the proposed amendments to the amendments to the Management Measures on Raised Funds, details of which are set out in Appendix XI to this circular.

15. PROPOSED AMENDMENTS TO THE WORK POLICIES OF THE INDEPENDENT DIRECTORS

In order to implement the reform of the independent Director system, in accordance with the Administrative Measures for Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) promulgated by the CSRC which took effect on September 4, 2023, and the ancillary regulations promulgated by the Shanghai Stock Exchange, as well as the actual situation of the Company, the Board proposed to make the relevant amendments to the Work Policies of the Independent Directors.

An ordinary resolution will be proposed at the 2023 AGM for the Shareholders to consider and approve the proposed amendments to the Work Policies of the Independent Directors, details of which are set out in Appendix XII to this circular.

16. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE A SHARES AND/OR H SHARES

In order to give the Company the flexibility to issue Shares if and when appropriate, a special resolution will be proposed at the 2023 AGM to approve the granting of the General Mandate to the Directors to allot, issue or deal with additional A Shares and/or H Shares of not exceeding 20% of the respective total number of issued A Shares and/or H Shares of the Company as at the date of passing of the proposed special resolution.

Further details of the special resolution to be passed with respect to the grant of General Mandate to issue A Shares and/or H Shares are set out in Appendix XIII to this circular.

17. PROPOSED GRANTING OF REPURCHASE MANDATE TO REPURCHASE A SHARES AND/OR H SHARES

In order to give the Company the flexibility to repurchase Shares if and when appropriate, a special resolution will be proposed at the 2023 AGM, the 2024 Second A Share Class Meeting and the 2024 Second H Share Class Meeting to approve the granting of the Repurchase Mandate to the

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Directors to repurchase A Shares and/or H Shares on the Shanghai Stock Exchange and the Hong Kong Stock Exchange of not exceeding 10% of the number of A Shares and/or H Shares in issue of the Company as at the date of passing of the proposed special resolution.

The Directors wish to state that they have no immediate plan to repurchase any A Shares or H Shares pursuant to the Repurchase Mandate. Pursuant to the amended Rule 10.06(5) of the Listing Rules, which shall become effective on the Effective Date, the H Shares repurchased by the Company (whether on exchange or otherwise) shall be held as treasury shares or cancelled. The listing of all Treasury H Shares shall be retained after the Effective Date. The Company will ensure that the Treasury H Shares are appropriately identified and segregated (for example, holding the repurchased H Shares as treasury shares in a segregated account in CCASS and giving clear written instructions to the H Share Registrar and the relevant broker to update the record to clearly identify those repurchased H Shares held in CCASS as treasury shares); whereas the listing of all H Shares which are repurchased by the Company (whether on exchange or otherwise) but not held as treasury shares shall be automatically cancelled upon repurchase, and the Company will ensure that the documents of title of such repurchased H Shares are cancelled and destroyed as soon as practicable following settlement of any such repurchase. The Company may cancel the repurchased H Shares following settlement of any such repurchase and/or hold the repurchased H Shares as treasury shares subject to market conditions and its capital management needs at the relevant time of the repurchases.

Further details of the special resolution to be passed with respect to the grant of the Repurchase Mandate to repurchase A Shares and/or H Shares are set out in Appendix XIV to this circular. 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 granting of the Repurchase Mandate is set out in Appendix XV to this circular.

18. PROPOSED ADOPTION OF THE 2024 H SHARE AWARD AND TRUST SCHEME

As disclosed in the announcement of the Company dated April 29, 2024, the Board has proposed to adopt the 2024 Scheme and an ordinary resolution will be proposed at the 2023 AGM for the Shareholders to consider and approve the proposed adoption of the 2024 Scheme. The 2024 Scheme shall be effective upon the approval by the Shareholders at the 2023 AGM. The grant of Awards to the Selected Participants under the 2024 Scheme shall be subject to the fulfillment of the conditions as determined by the Board and/or the Delegatee to be set out in the Award Letter. Please refer to the sub-section headed “Grant of Awards” below for further details.

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Dr. Ge Li, Dr. Minzhang Chen, Mr. Edward Hu, Dr. Steve Qing Yang and Mr. Zhaohui Zhang, being executive Directors who are expected to be potential Connected Selected Participants of the 2024 Scheme, may have material interest in the 2024 Scheme and have abstained from voting on the relevant Board resolutions in relation to the 2024 Scheme. Save for Dr. Ge Li, Dr. Minzhang Chen, Mr. Edward Hu, Dr. Steve Qing Yang and Mr. Zhaohui Zhang, there is no other Director who is required to abstain from voting on the Board resolutions in relation to the 2024 Scheme.

The full text of the 2024 Scheme Rules is set out in Appendix XVI to this circular.

Purposes of the 2024 Scheme

The purposes of the 2024 Scheme are:

- (i) to attract, motivate and retain highly skilled and experienced personnel to strive for the future development and expansion of the Group by providing them with the opportunity to be further incentivized by equity interests in the Company, more directly associated with the equity performance of the Company;
- (ii) to modernize the Company's remuneration practices and to better align with the interests of the Shareholders while seeking a balanced approach in the operational and executive management oversight; and
- (iii) to (a) recognize the contributions to the Company of the prudent management of the Company including the Directors; (b) encourage, motivate and retain the leadership of the Company whose collective contributions are beneficial to the continual operation, development and long-term growth of the Group; and (c) introduce additional incentive for the management of the Company by aligning the interests of the management of the Company to that of the Shareholders and the Group as a whole.

The Directors are of the view that the individual performance indicators as conditions for the vesting of the Awards will serve to achieve the purposes stated above.

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Duration

Subject to any early termination of the 2024 Scheme pursuant to the 2024 Scheme Rules, the 2024 Scheme shall be valid and effective for ten years commencing from the date on which the 2024 Scheme is approved by the Shareholders at the 2023 AGM (after which no further Awards will be granted), and thereafter for so long as there are non-vested Award Shares granted under the 2024 Scheme prior to the expiration of the 2024 Scheme, in order to give effect to the vesting of such Award Shares or otherwise as may be required in accordance with the provisions of the 2024 Scheme Rules.

Source of Funds

The source of funds for funding the 2024 Scheme is the internal funds of the Company.

Source of Award Shares and acquisition of H Shares by the Scheme Trustee

The source of the Award Shares under the 2024 Scheme shall be H Shares to be acquired by the Scheme Trustee through on-market transactions at the prevailing market price in accordance with the instructions of the Company and the relevant provisions of the 2024 Scheme Rules.

The Company shall as soon as reasonably practicable, for the purposes of satisfying the grant of Awards, transfer to the Trust the necessary funds and instruct the Scheme Trustee to acquire H Shares through on-market transactions at the prevailing market price. The Scheme Trustee shall as soon as reasonably practicable thereafter proceed to acquire such number of H Shares as instructed by the Company on-market at the prevailing market price.

The acquisition of H Shares by the Scheme Trustee will be done independently of, and possibly concurrently with, other dealings of A Shares or H Shares by Shareholders which could be a Director or a member of the senior management, while being subject to dealing restrictions imposed by applicable laws and regulations (including but not limited to the Listing Rules and the Rules Governing the Listing of Stocks on Shanghai Stock Exchange).

Any excess funds provided by the Company shall not automatically form part of the funds of the Trust and shall be refunded to the Company if written direction to that effect is received by the Scheme Trustee within 30 days of the date of completion of the transfer of the relevant H Shares to the Scheme Trustee.

The Company shall instruct the Scheme Trustee whether or not to apply any Returned Shares to satisfy any grant of Awards made, and if the Returned Shares, as specified by the Company, are not sufficient to satisfy the Awards granted, the Company shall, as soon as reasonably practicable,

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for purposes of satisfying the Awards granted, transfer to the Trust the necessary funds and instruct the Scheme Trustee to acquire further H Shares through on-market transactions at the prevailing market price.

Scheme Limit

Subject to the 2024 Scheme Rules, the Scheme Limit shall be the maximum number of H Shares that will be acquired by the Scheme Trustee through on-market transactions from time to time at prevailing market price with funds in the amount of not more than HK\$2 billion, and in any event the maximum number of H Shares to be so acquired by the Scheme Trustee shall be determined by the Board and/or the Delegatee and which shall in any event not render the Company unable to maintain the public float as required under the Listing Rules, as modified by the waiver granted by the Stock Exchange upon the Listing. The Company proposed to set the Scheme Limit in terms of the total amount of funds that it will provide to the Scheme Trustee to acquire H Shares through on-market transactions together with a limit on the number of H Shares which can be so acquired by the Scheme Trustee in order to (i) regulate the costs of the Company in setting up the 2024 Scheme; and (ii) provide Shareholders with clarity on the financial outlay on the 2024 Scheme and the maximum number of H Shares underlying the 2024 Scheme.

For illustrative purpose, based on the average closing price of the H Shares as stated in the Stock Exchange's daily quotations sheets for the sixty trading days immediately preceding April 26, 2024 (being the trading day immediately preceding the Board's approval of the proposed adoption of the 2024 Scheme) of HK\$43.01 per H Share, the maximum number of H Shares that can be purchased with funds in the amount of HK\$1 billion (assuming only the Basic Condition of Grant (as defined below) can be satisfied) for the purpose of the 2024 Scheme would be 23,250,406 H Shares, while the maximum number of H Shares that can be purchased with funds in the amount of HK\$2 billion (assuming both the Basic Condition of Grant and the Additional Conditional of Grant (as defined below) can be satisfied) for the purpose of the 2024 Scheme would be 46,500,813 H Shares. The ultimate number of H Shares to be purchased for the purpose of the 2024 Scheme will depend on the then prevailing price of the H Shares and the fulfillment of the Conditions of Grant (as defined below), and shall be subject to the determination of the Board and/or the Delegatee. As such, for the avoidance of doubt, the abovementioned numbers may not be equivalent to the ultimate number of H Shares to be purchased for the purpose of the 2024 Scheme and are for illustrative purpose only.

The Company shall not make any further grant of Awards which will result in the aggregate number of H Shares underlying all grants made pursuant to the 2024 Scheme (excluding Award Shares that have been forfeited in accordance with the 2024 Scheme) to exceed the Scheme Limit without Shareholders' approval. The Scheme Limit shall not be subject to any refreshment.

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Administration of the 2024 Scheme

The 2024 Scheme shall be subject to the administration of the following administrative bodies:

- (a) the general meeting of the Shareholders, as the institution vested with the supreme authority of the Company, is responsible for the consideration and approval of the adoption of the 2024 Scheme. The general meeting of the Shareholders may authorize the Board and/or the Delegatee to deal with all matters related to the 2024 Scheme to the extent of its authority;
- (b) the Board is the institution in charge of the administration of the 2024 Scheme in accordance with the 2024 Scheme Rules and where applicable, the Trust Deed. A decision of the Board or the Delegatee shall be final and binding on all persons affected. The Remuneration and Appraisal Committee shall be responsible for drafting, revising and reviewing the 2024 Scheme and submitting the same to the Board for consideration. Upon consideration and approval of the 2024 Scheme, the Board will submit the 2024 Scheme to the general meeting of the Shareholders for consideration. The Board and/or the Delegatee may handle all matters related to the 2024 Scheme within the authorization by the general meeting of the Shareholders; and
- (c) the Trust will be constituted to service the 2024 Scheme whereby the Scheme Trustee shall, subject to the relevant provisions of the Trust Deed as well as the Scheme Limit, and upon the instruction of the Company, acquire H Shares through on-market transactions with funds in the amount of not more than HK\$2 billion to be transferred by the Company to the Trust, in accordance with the instructions of the Company for the purpose of satisfying the awards granted thereunder.

Pursuant to the 2024 Scheme Rules, the authority to administer the 2024 Scheme may be delegated by the Board to the Delegatee as deemed appropriate in the sole and absolute discretion of the Board. Upon the approval and adoption of the 2024 Scheme by the Shareholders at the 2023 AGM, the Board will delegate to the Delegatee the authority to administer the 2024 Scheme, including the power to grant an Award under the 2024 Scheme.

The Company is of the view that the involvement of the Board (being Eligible Employees who may qualify to participate in the 2024 Scheme) is not contrary to the principles of good corporate governance for the following reasons: (i) the Directors who are existing Shareholders and/or who are expected to be Selected Participants of the 2024 Scheme will abstain from voting on the relevant Board and Shareholder resolutions; (ii) the Board comprises a sufficient number of independent non-executive Directors as required by the Listing Rules, who do not have material

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relationships with the Company and can provide independent oversight and constructive challenge to the Board on matters in connection with the administration of the 2024 Scheme; and (iii) the Directors are aware of and will fulfill their fiduciary duties to the Company and the Shareholders as a whole throughout the course of the 2024 Scheme.

Selected Participants of the 2024 Scheme

Eligible Employees who may qualify to participate in the 2024 Scheme include any individual, being a Director, supervisor, senior management member, mid-level manager, basic-level manager, backbone member of the scientists, other technicians, who is a full-time PRC or non-PRC employee of any members of the Group.

The Board or the Delegatee may, from time to time, select any Eligible Employee to be a Selected Participant in accordance with the 2024 Scheme Rules. The Selected Participants are determined in accordance with the Company Law of the PRC, the Securities Law of the PRC and other applicable laws, regulations and regulatory documents and the relevant provisions of the Articles of Association, together with the Company's actual circumstances and matters including the present and expected contribution of the relevant Selected Participant to the Group.

No one should be considered as a Selected Participant of the 2024 Scheme if he:

- (a) has been deemed as an inappropriate candidate for similar award schemes of share incentive plans of a listed company by any securities regulatory bodies with authority in the most recent 12 months;
- (b) has been imposed with penalties or is banned from trading securities by securities regulatory bodies due to material non-compliance with laws or regulations in the most recent 12 months; or
- (c) is prohibited from acting as a director or member of the senior management of a company due to occurrence of circumstances as stipulated in the Company Law of the PRC.

Grant of Awards

The Board or the Delegatee may grant Awards to Selected Participants during the Award Period conditional upon fulfilment of the terms and conditions of the Awards and performance targets as the Board or the Delegatee determines from time to time.

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Subsequent to the obtaining of the Shareholders' approval in connection with the proposed adoption of the 2024 Scheme, the Company will transfer the necessary funds in the amount of not more than HK\$2 billion (being the Scheme Limit) for the Scheme Trustee to acquire H Shares through on-market transactions from time to time at prevailing market price as the source of the Award Shares under the 2024 Scheme. The grant of Awards to the Selected Participants shall be subject to the fulfillment of the conditions as determined by the Board and/or the Delegatee to be set out in the Award Letter. If the Condition(s) of Grant (as defined below) cannot be satisfied, the relevant grant of Awards to such Selected Participants which corresponds to the unsatisfied Condition(s) of Grant will not take effect. Further announcement(s) will be made by the Company as and when appropriate to keep the Shareholders informed of any material development in this respect.

The Company shall issue an Award Letter to each Selected Participant specifying, among other things, the Grant Date, the number of Award Shares underlying the Award, the conditions of the grant, the vesting criteria and conditions, and the Vesting Date.

No grant of any Awards to any Selected Participants may be made and no directions or recommendations shall be given to the Scheme Trustee with respect to a grant of an Award under certain circumstances including:

- (i) where such grant of Award would result in a breach of the Scheme Limit;
- (ii) after the expiry of the Award Period or after the earlier termination of the 2024 Scheme;
- (iii) where any Director is in possession of unpublished inside information (as defined under the SFO) in relation to the Company or where any Director reasonably believes there is inside information which must be disclosed pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the SFO or where dealings by Directors are prohibited under any code or requirement of the Listing Rules or any applicable laws, rules or regulations;
- (iv) during the period of 60 days immediately preceding the publication date of the annual results of the Group or, if shorter, the period from the end of the relevant financial year up to the publication date of such results; and
- (v) during the period of 30 days immediately preceding the publication date of the quarterly or half-year results of the Group or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of such results.

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Conditions of the Grant of Awards

The grant of Awards to the Selected Participants shall be subject to the fulfilment of the conditions as determined by the Board and/or the Delegatee to be set out in the Award Letter. In this regard, the Board would like to inform the Shareholders that, if the 2024 Scheme is approved by the Shareholders, the Executive Committee of the Company, to whom the Board will delegate its authority to administer the 2024 Scheme, will set the conditions for the grant of Awards to the Selected Participants to take effect as (i) the revenue realized by the Group for the year 2024 being RMB38.3 billion or above (the “**Basic Condition of Grant**”), and (ii) the revenue realized by the Group for the year 2024 being RMB40.5 billion or above (the “**Additional Condition of Grant**”, and together with the “Basic Condition of Grant”, the “**Conditions of Grant**”). If only the Basic Condition of Grant can be satisfied, no more than half of the Scheme Limit can be utilized for the grant of Awards to the Selected Participants. If both of the Basic Condition of Grant and the Additional Condition of Grant can be satisfied, the entire Scheme Limit can be utilized for the grant of awards to the Selected Participants. If the Condition(s) of Grant cannot be satisfied, the relevant grant of Awards to such Selected Participants which corresponds to the unsatisfied Condition(s) of Grant will not take effect.

Subject to the fulfillment of the Basic Condition of Grant only, the amount of Awards to be granted to Connected Selected Participants shall not exceed 16% of half of the Scheme Limit. Subject to the fulfillment of both the Basic Condition of Grant and the Additional Condition of Grant, the amount of Awards to be granted to Connected Selected Participants shall not exceed 16% of the entire Scheme Limit. The particulars of the grant of Awards to the Connected Selected Participants, including the list of Connected Selected Participants and the specific number of Award Shares underlying such Awards to be granted to the Connected Selected Participants, shall be determined by the Board and/or the Delegatee pursuant to the relevant authorization to be granted by the Shareholders at general meeting, and taking into account the following factors in principal, which include but are not limited to, (i) the total number of H Shares acquired by the Scheme Trustee as the source of the Award Shares under the 2024 Scheme; (ii) the ranking of the Connected Selected Participants; and (iii) the individual performance appraisal results of the Connected Selected Participants. Prior to the actual grant of Awards, subject to possible adjustments, as at the Latest Practicable Date, the Connected Selected Participants are expected to include Dr. Ge Li, Dr. Minzhang Chen, Mr. Edward Hu, Dr. Steve Qing Yang, Mr. Zhaohui Zhang, Ms. Ming Shi, Dr. Hao Wu, Dr. Richard Connell, Mr. Joseph Beckman, Mr. Albert Bristow, Mr. Feng Zhang, Ms. Minfang Zhu, Ms. Wendy J. Hu and Ms. Jingna Kang.

The Conditions of Grant are set with reference to the expected revenue of the Group for the year 2024. On March 18, 2024, the Company disclosed in its annual results announcement of the year ended December 31, 2023 that revenue is expected to reach RMB38.3 billion to RMB40.5 billion in 2024. The Basic Condition of Grant was thus correspondingly set with reference to the

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expected revenue of the Group for the year 2024 being RMB38.3 billion or above, and the Additional Condition of Grant was thus correspondingly set with reference to the expected revenue of the Group for the year 2024 being RMB40.5 billion or above.

Subject to the approval of the resolutions in relation to the 2024 Scheme by the Shareholders at the 2023 AGM, if the Condition(s) of Grant are satisfied and the relevant grant of Awards to the Selected Participants which corresponds to the satisfied Condition(s) of Grant takes effect, the Awards shall vest in accordance with the criteria, conditions and schedule as further particularized in the 2024 Scheme Rules and the Award Letter. If the Condition(s) of Grant cannot be satisfied, the relevant grant of Awards to such Selected Participants which corresponds to the unsatisfied Condition(s) of Grant will not take effect.

Vesting of the Awards

The Board or the Delegatee may determine the vesting criteria and conditions or periods for the Awards to be vested.

Vesting schedule

Unless otherwise specified in the Award Letter approved by the Board or the Delegatee, the Vesting Periods of the Awards granted under the 2024 Scheme are as follows:

- (A) For Awards to be granted to Selected Participants who are Eligible Employees as at the date on which the 2024 Scheme is approved by the Shareholders at the 2023 AGM:

	Vesting Periods	Proportion of Vesting
First Vesting Period	Within the month of December 2025	25%
Second Vesting Period	Within the month of December 2026	25%
Third Vesting Period	Within the month of December 2027	25%
Fourth Vesting Period	Within the month of December 2028	25%

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(B) For Awards to be granted to Selected Participants who (i) shall become Eligible Employees subsequent to the date on which the 2024 Scheme is approved by the Shareholders at the 2023 AGM; and (ii) shall have been given the entitlement to be granted Awards pursuant to the relevant offer letters to be issued by the Company in connection with their employment within the Group:

	Vesting Periods	Proportion of Vesting
First Vesting Period	Within the year immediately following the first anniversary of the commencement date of the employment of the Selected Participant with the relevant member of the Group	0%
Second Vesting Period	Within the year immediately following the second anniversary of the commencement date of the employment of the Selected Participant with the relevant member of the Group	25%
Third Vesting Period	Within the year immediately following the third anniversary of the commencement date of the employment of the Selected Participant with the relevant member of the Group	25%
Fourth Vesting Period	Within the year immediately following the fourth anniversary of the commencement date of the employment of the Selected Participant with the relevant member of the Group	50%

The Vesting Periods of the Awards granted under any subsequent grant of the 2024 Scheme or the Awards to be satisfied by the application of any Returned Shares shall be determined by the Board or the Delegatee in its sole and absolute discretion, and shall in any event not extend beyond the then remaining term of the Award Period at the time of grant.

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Vesting Conditions

Vesting of the Awards granted under the 2024 Scheme is subject to conditions of the individual performance indicators of the Selected Participants, and any other applicable vesting conditions as set out in the Award Letter.

The individual performance indicators of the Selected Participants are as follows:

According to the applicable performance management rules to be adopted by the Company, the Board or the Delegatee shall carry out annual comprehensive appraisal on the Selected Participants and determine the actual vesting amount of the Awards granted under the 2024 Scheme accordingly. The actual vesting amount of the Award granted to a Selected Participant for the respective Vesting Periods shall be equal to the standard coefficient \times the planned vesting amount for the respective Vesting Periods. The coefficient for individual performance appraisal results of grade B- (or its equivalent appraisal result such as “**satisfactory**”) or above is 100% whereas the coefficient for individual performance appraisal results below grade B- is 0.

In respect of Selected Participants who are PRC employees, the performance appraisal results comprise five grades, namely A+, A, B, C and D. For PRC employees who are management personnel at the level of senior director or above, the performance appraisal results comprise eight grades, namely A+, A, A-, B+, B, B-, C and D. In respect of Selected Participants who are non-PRC employees, the performance appraisal results comprise five grades, namely “excellent”, “outstanding”, “satisfactory”, “partially pass” and “fail”.

The performance appraisal is conducted annually and the process involves: (i) employee self-appraisal; (ii) performance appraisal evaluator conducts objective evaluation based on feedback and recommendations on the employee as well as the performance of the employee; (iii) performance appraisal reviewer conducts review of the performance appraisal results; and (iv) relevant persons-in-charge of the various business and operational units approves the performance appraisal results, and the appraisal results of management personnel at the level of senior director or above shall be approved by a chief executive officer of the Company.

The performance appraisal encompasses three aspects, namely job responsibilities, operational performance and core values. The supervisors of the relevant employees will conduct objective evaluation of the performance appraisal results based on the collected appraisal information (including records of work results, work summary of the relevant employees and performance appraisal feedback and recommendations) and the individual performance targets of the relevant employees. In terms of core values, the supervisors of the relevant employees will conduct an integrated evaluation based on parameters including key events, upstream and downstream work evaluation and peer evaluation.

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If the Selected Participant fails to fulfil the individual performance indicators above, all the Award Shares underlying the relevant Awards which may otherwise be vested during the respective Vesting Periods shall not be vested and shall be held by the Scheme Trustee as Returned Shares for application towards future Awards in accordance with the 2024 Scheme Rules for the purpose of the 2024 Scheme.

Transfer or sale of Award Shares

For the purposes of vesting of the Award, the Board or the Delegatee may either:

- (i) direct and procure the Scheme Trustee to release from the Trust the Award Shares to the Selected Participants by transferring the number of Award Shares to the Selected Participants in such manner as determined by them from time to time; or
- (ii) to the extent that, at the determination of the Board or the Delegatee, it is not practicable for the Selected Participant to receive the Award in H Shares solely due to legal or regulatory restrictions with respect to the Selected Participant's ability to receive the Award in H Shares or the Scheme Trustee's ability to give effect to any such transfer to the Selected Participant, the Board or the Delegatee will direct and procure the Scheme Trustee to sell, on-market at the prevailing market price, the number of Award Shares so vested in respect of the Selected Participant and pay the Selected Participant the proceeds in cash arising from such sale based on the Actual Selling Price of such Award Shares as set out in the Vesting Notice.

In accordance with the 2024 Scheme Rules, barring any unforeseen circumstances, within a reasonable time period as agreed between the Scheme Trustee and the Board from time to time prior to any Vesting Date, the Board or the Delegatee shall send to the relevant Selected Participant the Vesting Notice. The Board or the Delegatee shall forward a copy of the Vesting Notice to the Scheme Trustee and instruct the Scheme Trustee the extent to which the Award Shares held in the Trust shall be transferred and released from the Trust to the Selected Participant in the manner as determined by the Board or the Delegatee, or be sold as soon as practicable from the Vesting Date.

Subject to the receipt of the Vesting Notice and the instructions from the Board or the Delegatee, the Scheme Trustee shall transfer and release the relevant Award Shares to the relevant Selected Participant in the manner as determined by the Board or the Delegatee or sell the relevant Award Shares as soon as practicable from the Vesting Date and pay the Actual Selling Price to the Selected Participant within a reasonable time period in satisfaction of the Award.

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Interest in the Award Shares

Any Award granted under the 2024 Scheme but not yet vested shall be personal to the Selected Participant to whom it is made and shall not be transferable and no Selected Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to any Award, or enter into any agreement to do so.

Neither the Selected Participant nor the Scheme Trustee may exercise any voting rights attached to any H Shares held by the Scheme Trustee under the Trust (including any Award Shares that have not yet vested).

A Selected Participant shall have no right to any dividend underlying the non-vested Award Shares or any of the Returned Shares or any dividend, right to any cash or non-cash income, distribution, sale proceeds of non-cash and non-scrip distributions underlying the Returned Shares, all of which shall be retained by the Scheme Trustee for the benefit of the 2024 Scheme.

Occurrence of certain events pertaining to the Company

Change in control and privatisation

If there is an event of change in control (as defined under the Takeovers Code) of the Company by way of a merger, a privatisation of the Company by way of a scheme or by way of an offer, change of actual control of the Company involving reorganization of major assets, the Company no longer exists after merger with another company, or division of the Company, the Board or the Delegatee shall in its sole and absolute discretion determine whether the Vesting Dates of any unvested Awards will be accelerated. If the Vesting Dates of any unvested Awards are accelerated, the procedures as set out in the section headed “Letter from the Board — 18. Proposed Adoption of the 2024 H Share Award and Trust Scheme — Vesting of the Awards — Transfer or sale of Award Shares” above shall apply except that the Vesting Notice will be sent to such Selected Participant based on the proposed Vesting Date as soon as practicable once the proposed Vesting Date is known. The Scheme Trustee shall transfer the Award Shares or pay the Actual Selling Price in cash, as the case may be, to the Selected Participant in accordance with the Vesting Notice.

Pursuant to the 2024 Scheme Rules, (i) no instructions may be given by a Selected Participant to the Scheme Trustee in respect of the Award and the Scheme Trustee shall not follow instructions given by a Selected Participant to the Scheme Trustee in respect of the Award; and (ii) neither the Selected Participant nor the Scheme Trustee may exercise any voting rights attached to any H Shares held by the Scheme Trustee under the Trust (including any Award Shares that have

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not yet vested). As such, neither the Selected Participant nor the Scheme Trustee has a right to accept or decline any offer in connection with a privatisation of the Company and in turn has no entitlement to the consideration of such offer.

For the Shareholders' information, regardless of whether the vesting of unvested Awards is accelerated, potential buyers will be required to make an appropriate offer to the Selected Participants holding unvested Awards to ensure that their interests are safeguarded and that there is equality of treatment pursuant to Rule 13.1 of the Takeovers Code. As such, potential buyers would need to make such offer at the "see-through" price in accordance with Practice Note 6 of the Takeovers Code, which shall be the same as the offer price given the Awards have no exercise price. In light of the above, the Company is of the view that the abovementioned accelerated vesting mechanism alone will not discourage potential buyers from making an offer or lower the premium paid to Shareholders in a takeover transaction.

Open offer and rights issue

In the event the Company undertakes an open offer of new securities, the Scheme Trustee shall not subscribe for any new H Shares. In the event of a rights issue, the Scheme Trustee shall not take any step to exercise any nil-paid rights and shall sell such nil-paid rights in respect of any H Shares which are held by the Scheme Trustee (if there is an open market for such rights). The aggregate proceeds of such sale may be applied by the Scheme Trustee to purchase H Shares for the purposes of satisfying any further Awards to be from time to time made by the Company under the 2024 Scheme and to cover the reasonable costs and expenses of the Scheme Trustee in the performance of its duties under the Trust Deed.

Consolidation or sub-division of shares

In the event the Company undertakes a consolidation or sub-division of the H Shares, corresponding changes will be made to the number of outstanding Award Shares that have been granted 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 2024 Scheme for the Selected Participants. All fractional shares (if any) arising out of such consolidation or sub-division in respect of the Award Shares of a Selected Participant shall be deemed as Returned Shares and shall not be transferred to the relevant Selected Participant on the relevant Vesting Date.

As the Scheme Limit is set with reference to the total amount of funds that it will provide to the Scheme Trustee to acquire H Shares through on-market transactions, as opposed to a precise number or percentage of the H Shares, no corresponding adjustment to the Scheme Limit is necessary in the event of consolidation or sub-division of the H Shares.

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Amendment or Termination of the 2024 Scheme

Amendment of the 2024 Scheme

Subject to the Scheme Limit, the 2024 Scheme may be altered in any respect by a resolution of the Board or the Delegatee provided that no such alteration shall operate to affect materially and adversely any subsisting rights of any Selected Participant unless otherwise provided for in the 2024 Scheme Rules, except (i) with the consent in writing of Selected Participants amounting to more than half of the nominal value of all Award Shares held by the Scheme Trustee on that date; or (ii) with the sanction of an ordinary resolution that is passed at a meeting of the Selected Participants amounting to more than half of the nominal value of all Award Shares held by the Scheme Trustee on that date.

Termination of the 2024 Scheme

The 2024 Scheme shall terminate on the earlier of (i) the end of the Award Period except in respect of any non-vested Award Shares granted under the 2024 Scheme prior to the expiration of the 2024 Scheme, for the purpose of giving effect to the vesting of such Award Shares or otherwise as may be required in accordance with the provisions of the 2024 Scheme; and (ii) such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of any Selected Participant under the 2024 Scheme.

Implications of the 2024 Scheme under the Listing Rules

The 2024 Scheme constitutes a share award scheme involving existing Shares of the Company as defined and regulated under Chapter 17 of the Listing Rules.

19. PROPOSED AUTHORIZATION TO THE BOARD AND/OR THE DELEGATEE TO HANDLE MATTERS PERTAINING TO THE 2024 H SHARE AWARD AND TRUST SCHEME

In order to ensure the successful implementation of the 2024 Scheme, the Board proposed that, subject to the approval of the 2024 Scheme by the Shareholders at the 2023 AGM, the Shareholders also grant an authorization to the Board and/or the Delegatee to handle matters pertaining to the 2024 Scheme with full authority, including but not limited to:

- (i) to determine the terms and conditions of the grant of Awards, approve the form and content of the Award Letter, select Eligible Employees to become Selected Participants, and grant Awards to Selected Participants from time to time, and to determine the particulars of the grant of Awards to the Connected Selected Participants, including the

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list of Connected Selected Participants and the specific number of Award Shares underlying such Awards to be granted to the Connected Selected Participants in accordance with the 2024 Scheme Rules;

- (ii) to determine the maximum number of H Shares to be acquired by the Scheme Trustee, in any event such quantity shall not render the Company unable to maintain the public float as required under the Listing Rules as modified by the waiver granted by the Stock Exchange upon the Listing;
- (iii) to determine the Grant Date and Vesting Date of Award Shares;
- (iv) to administer, amend and adjust the 2024 Scheme, including but not limited to, adjusting the Scheme Limit, adjusting the number of outstanding Award Shares or accelerate the Vesting Dates of any Awards, if such amendments require the approval of the Shareholders' meeting and/or relevant regulatory authorities pursuant to the relevant laws, regulations or requirements of the relevant regulatory authorities or as stipulated in the 2024 Scheme, the Board shall obtain the corresponding authorization for such amendments;
- (v) to decide on the selection, engagement and change of bank(s), accountant(s), lawyer(s), consultant(s) and other professional parties for the purpose of the 2024 Scheme;
- (vi) to sign, execute, amend and terminate all agreements and other relevant documents in connection with the 2024 Scheme, fulfill all relevant procedures in relation to the 2024 Scheme, and adopt other methods to implement the terms of the 2024 Scheme;
- (vii) to determine and adjust the standards and conditions of the vesting of the Awards as well as the Vesting Periods, evaluate and manage the performance indicators, and to determine whether Awards granted to the Selected Participants can be vested, and to delegate such authorization to the Executive Committee;
- (viii) to determine the execution, amendment and termination of the 2024 Scheme, including the forfeiture of Awards and continued vesting of Award Shares upon the changes in circumstances pertaining to the Selected Participants;
- (ix) to construe and interpret the 2024 Scheme Rules and to resolve any issues and disputes arising from or in connection with the 2024 Scheme;

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- (x) to exercise any other authorizations in relation to matters necessary to the implementation of the 2024 Scheme granted by the Shareholders' meeting from time to time;

- (xi) under the name of the Company:
 - (a) to enter into the Trust Deed with the Scheme Trustee, pursuant to which the Scheme Trustee will provide trust services for the 2024 Scheme;

 - (b) to enter into the plan management agreement with Computershare Hong Kong Investor Services Limited, pursuant to which Computershare Hong Kong Investor Services Limited will provide plan management services in respect of the 2024 Scheme; and

 - (c) to set up a cash securities account so as to facilitate the provision of trading services and trading platform for the Selected Participants of the 2024 Scheme by Computershare Hong Kong Investor Services Limited;

- (xii) to authorize the Board and for the Board to further authorize the Executive Committee, during the validity period of such authorization, to individually handle all matters in relation to the 2024 Scheme with full authority, including but not limited to:
 - (a) matters in relation to the 2024 Scheme as set out in paragraphs (i) to (xi) above;

 - (b) on behalf of the Company, execute all documents in relation to the operations of and other matters of the 2024 Scheme, or providing instructions to the Scheme Trustee in relation to its operations, the execution of relevant documents in relation to the setting up of the accounts, operations of the accounts, and the setting up and operations of the cash securities account with Computershare Hong Kong Investor Services Limited under the name of the Company, the release of Award Shares for the purpose of the vesting of the Awards, or the sale of Award Shares on-market at the prevailing market price and pay the proceeds arising from such sale to Selected Participants, or directing and procuring the Scheme Trustee to release the Award Shares to the Selected Participants by transferring the Award Shares to the Selected Participants as determined by them from time to time, and confirming, allowing and approving all preceding matters arising from or in relation to the Trust Deed and the plan management agreement; and

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- (c) on behalf of the Company, approve, execute, refine, deliver, negotiate, agree on and agree to all such agreements, contracts, documents, regulations, matters and things (as the case may be) as it deems reasonable, necessary, desirable, appropriate or expedient, in order to implement and/or implement all transactions conducted accordingly, and make any reasonable alterations, amendments, changes, modifications and/or supplements as it deems necessary, desirable, appropriate or expedient. If there is a requirement to affix a company seal on any such agreement, contract or document, it has the right to sign the agreement, contract or document and affix the company seal in accordance with the Articles of Association in that case;
- (xiii) in the event that the 2024 Scheme is terminated and the Company decides to repurchase H Shares directly from the Scheme Trustee in accordance with the 2024 Scheme Rules (the “**Direct Repurchase of H Shares from the Scheme Trustee**”), to authorize the Board and further authorize by the Board the Executive Committee as well as its specific authorized person(s) (collectively, the “**Authorized Persons**”) with full authority to handle matters pertaining to any direct repurchase of H Shares from the Scheme Trustee and cancellation of such H Shares and reduction of the registered capital. The scope of the abovementioned authorization includes but is not limited to:
- (a) to appoint a securities broker on behalf of the Company to open an account with the Central Clearing and Settlement System (“**CCASS**”) of Hong Kong Securities Clearing Company Limited for the purpose of the Direct Repurchase of H Shares from the Scheme Trustee and execute any and all of the related documents. The aforementioned securities broker or Authorized Persons shall act as the representative of this account for the purposes of trading, withdrawing funds and securities, and executing all documents in relation to the Direct Repurchase of H Shares from the Scheme Trustee;
- (b) to withdraw the repurchased H Shares and funds (if any) on behalf of the Company from CCASS through the aforementioned securities broker or Authorized Persons;
- (c) to handle the cancellation of H shares and the update of the register of H Shareholders with Tricor Investor Services Limited, and confirm that the Authorized Persons shall have full authorization in the matter of the Direct Repurchase of H Shares from the Scheme Trustee and cancellation of such H Shares, including but not limited to executing any and all of the related documents;

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- (d) to authorize Tricor Investor Services Limited to cancel the share certificates of the repurchased H Shares mentioned above and update the register of H Shareholders accordingly;
- (e) in the event of changes in the policies of regulatory authorities regarding the Direct Repurchase of H Shares from the Scheme Trustee and cancellation of such H Shares, or changes in market conditions, or changes in the method of handling repurchased H Shares after negotiation with the Scheme Trustee, except for matters that require the decision of the Board or Shareholders' general meeting as stipulated by relevant laws, regulations, normative documents and the Articles of Association, the Authorized Persons shall have the right to make corresponding adjustments to the specific details of the Direct Repurchase of H Shares from the Scheme Trustee and cancellation of such H Shares (including but not limited to the method, timing, price and quantity of H Shares to be repurchased and cancelled) and any other related matters;
- (f) to implement, amend, authorize, execute and complete all necessary documents, agreements and contracts in relation to the Direct Repurchase of H Shares from the Scheme Trustee and cancellation of such H Shares and reduction of registered capital;
- (g) to fulfill all necessary obligations, including information disclosure, reporting to regulatory authorities and filings required by relevant domestic and foreign laws and regulations and the listing rules of the stock exchanges where the Shares are listed for the purpose of the Direct Repurchase of H Shares from the Scheme Trustee and cancellation of such H Shares and reduction of registered capital;
- (h) subject to the cancellation of the relevant H Shares and reduction of the registered capital after the Direct Repurchase of H Shares from the Scheme Trustee, to handle the amendments to the Articles of Association, the change of registered capital and the reporting to relevant departments or authorities; and
- (i) to handle any other matters that are not listed above but are necessary for the Direct Repurchase of H Shares from the Scheme Trustee and cancellation of such H Shares and reduction of the registered capital.

Except for authorized matters that require approval by the Board's resolution as specified by laws, regulations, rules of the CSRC, normative documents, the 2024 Scheme or the Articles of Association, the Executive Committee may directly exercise other authorized matters on behalf of the Board.

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The aforementioned authorization to the Board and/or the Delegatee set out in paragraphs (i) to (xii) above shall be valid for the duration of the 2024 Scheme. The aforementioned authorization to the Board and the Authorized Persons set out in paragraph (xiii) above shall be valid during the period from the date of approval at the 2023 AGM up to the completion of the handling of the aforementioned matters.

An ordinary resolution will be proposed at the 2023 AGM for the Shareholders to consider and approve the proposed authorization to the Board and/or the Delegatee to handle matters pertaining to the 2024 H Share Award and Trust Scheme.

20. THE 2023 AGM AND THE 2024 SECOND H SHARE CLASS MEETING

The 2023 AGM will be held at Sheraton Shanghai Waigaoqiao Hotel, 28 Jilong Road, Pilot Free Trade Zone, Shanghai, China on Wednesday, June 12, 2024 at 2:00 p.m., for the Shareholders to consider and, if thought fit, approve the aforesaid resolutions. The abovementioned resolutions will be proposed by way of ordinary and special resolutions at the 2023 AGM to be approved by the Shareholders. The voting in relation to such resolutions will be conducted by way of poll.

The 2024 Second H Share Class Meeting will be held at Sheraton Shanghai Waigaoqiao Hotel, 28 Jilong Road, Pilot Free Trade Zone, Shanghai, China on Wednesday, June 12, 2024 immediately after the conclusion of the 2023 AGM and the 2024 Second A Share Class Meeting, for the Shareholders to consider and, if thought fit, approve the granting of the Repurchase Mandate to the Directors to repurchase A Shares and/or H Shares. The abovementioned resolution will be proposed by way of special resolution at the 2024 Second H Share Class Meeting to be approved by the H Shareholders. The voting in relation to such resolution will be conducted by way of poll.

Pursuant to the Listing Rules, any vote of Shareholders at a general meeting must 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.

The notices of the 2023 AGM and the 2024 Second H Share Class Meeting are set out on pages AGM-1 to AGM-13 and HCM-1 to HCM-5 of this circular, respectively.

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The potential Selected Participants who are also Shareholders, and their respective associates shall abstain from voting on the proposed ordinary resolution in respect of (i) the proposed adoption of the 2024 H Share Award and Trust Scheme; and (ii) the proposed authorization to the Board and/or the Delegatee to handle matters pertaining to the 2024 Scheme.

Save as disclosed above, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, none of the Shareholders has a material interest in the resolutions to be proposed at the 2023 AGM and the 2024 Second H Share Class Meeting, and is required to abstain from voting at the 2023 AGM and the 2024 Second H Share Class Meeting for such resolutions. Separately, holders of treasury shares (if any) shall abstain from voting on matters that require shareholders' approval at the Company's general meetings.

An announcement on the poll results will be published by the Company after the 2023 AGM and the 2024 Second H Share Class Meeting in the manner prescribed under the Listing Rules.

Two Forms of Proxy for use at the 2023 AGM and the 2024 Second H Share Class Meeting are enclosed with this circular and such Forms of Proxy are also published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.wuxiapptec.com.cn). To be valid, the Forms of Proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's H 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 24 hours before the time appointed for the 2023 AGM and the 2024 Second H Share Class Meeting (i.e. not later than 2:00 p.m. on Tuesday, June 11, 2024 (Hong Kong time)) or the adjourned meeting (as the case may be). Completion and delivery of the Forms of Proxy will not preclude you from attending and voting at the 2023 AGM and/or 2024 Second H Share Class Meeting if you so wish.

The register of members of H Shares of the Company will be closed from Wednesday, June 5, 2024 to Wednesday, June 12, 2024 (both days inclusive), during which no transfer of H shares will be effected for determining the entitlements of Shareholders to attend and vote at the 2023 AGM and the 2024 Second H Share Class Meeting. In order to qualify as Shareholders to attend and vote at the 2023 AGM and the 2024 Second H Share Class Meeting, holders of H Shares who are not registered must lodge all transfers of shares accompanied by the relevant share certificates with the Company's H Share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Tuesday, June 4, 2024.

LETTER FROM THE BOARD

21. RECOMMENDATION

The Directors consider that all of the resolutions mentioned above are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favor of the relevant resolutions at the 2023 AGM and 2024 Second H Share Class Meeting.

Yours faithfully,
For and on behalf of the Board

Dr. Ge Li

Chairman

WUXI APPTEC CO., LTD.

Work Report of the Board of Directors for the Year 2023

In 2023 (the “**Reporting Period**”), the board (the “**Board**”) of WuXi AppTec Co., Ltd. (the “**Company**”) fully and effectively carried out all the decisions considered and approved at the shareholders’ general meeting and performed its responsibilities in strict accordance with the Articles of Association of WuXi AppTec Co., Ltd. (the “**Articles of Association**”) and the Rules of Procedures of the Board of Directors of WuXi AppTec Co., Ltd. and other regulations. It also exercised the functions and powers other than those of the shareholders’ general meeting as stipulated under the Company Law of the People’s Republic of China (the “**Company Law**”) and the Articles of Association, and continuously enhanced the corporate governance level of the Company. The works of the Board of the Company in 2023 are reported below:

I. THE COMPANY’S OPERATION STATUS IN 2023**(I) Income and profit**

In 2023, the operating income of the Company was RMB4,034,080.69 ten thousand, representing a year-over-year (“**YoY**”) increase of 2.51%; net profit attributable to the shareholders of the Company was RMB960,674.91 ten thousand, representing a YoY increase of 9.00%; and net profit attributable to the shareholders of the Company after non-recurring profit and loss was RMB974,758.78 ten thousand, representing a YoY increase of 16.81%.

(II) Principal business

During the Reporting Period, the revenue from each business segment of the Company is as follows:

Unit: RMB in ten thousand

Business segment	2023 Revenue	2022 Revenue	Percentage Change
WuXi Chemistry	2,917,148.82	2,884,973.19	1.12%
WuXi Testing	653,966.67	571,865.34	14.36%
WuXi Biology	255,255.40	247,514.71	3.13%
WuXi ATU	130,959.67	130,800.19	0.12%
WuXi DDSU	72,645.26	96,962.94	-25.08%
Others	4,104.87	3,361.42	22.12%
Total	4,034,080.69	3,935,477.78	2.51%

Note 1: The above data is prepared according to the Chinese Accounting Standards for Business Enterprises.

Note 2: Any discrepancies in the sum of data listed above with the total is due to rounding.

(1) WuXi Chemistry

Revenue from WuXi Chemistry grew 1.1% YoY to RMB29.17 billion, excluding COVID-19 commercial projects, revenue grew strongly by 36.1%. Drug discovery services (R) continued to generate downstream opportunities. In the past 12 months, we successfully synthesized and delivered more than 420,000 new compounds to customers, which grew 6% YoY, generating opportunities for downstream business units. Through our “follow-the-customer” and “follow-the-molecule” strategies, we established trusted partnerships with our global customers, supporting the sustainable growth of our CRDMO business. We continued executing our “long-tail” strategy demand from “long-tail” customers in discovery services of small molecule and new modalities continued to grow, with the number of new customers growing 12% YoY. Development and manufacturing (D&M) services delivered strong growth. In 2023, D&M services revenue declined 0.1% YoY to RMB21.62 billion. Excluding COVID-19 commercial projects, D&M services revenue grew strongly by 55.1%. In 2023, we added 1,255 new molecules to our D&M pipeline. By the end of 2023, our D&M pipeline has reached 3,201 molecules, including 61 commercial projects, 66 in Phase III, 326 in Phase II and 2,748 in Phase I and preclinical stages, among which 20 commercial and phase III projects were added. We partially commenced operation at the new Taixing API manufacturing site in January 2024 preparing for future business growth. Specifically, TIDES business (mainly oligo and peptides) continued to expand. TIDES revenue grew strongly by 64.4% YoY to RMB3.41 billion during the Reporting Period. By the end of 2023, backlog of TIDES grew significantly by 226% YoY. In 2023, the number of TIDES D&M customers increased 36% YoY to 140, and the number of TIDES molecules increased 41% YoY to 267. We completed capacity expansion in Changzhou and Taixing. The expanded workshops commenced operations in January 2024, with the total reactor volume of solid phase peptide synthesizers increasing to 32,000L.

(2) WuXi Testing

Revenue from WuXi Testing grew 14.4% YoY to RMB6.54 billion. Revenue from lab testing services grew 15.3% YoY to RMB4.78 billion. Among which, revenue from drug safety evaluation services grew 27.3% YoY. We maintained our industry leadership position in Asia-Pacific region. The 55,000m² new facilities in Qidong and Suzhou ramped up smoothly. In 2023, additional 20,000m² facilities were GLP-qualified. Moreover, new modality business continue to develop, while new vaccine capabilities continued to improve, and market share of nucleic acids, conjugates, and mRNA further expanded. Revenue from clinical CRO & SMO grew 11.8% YoY to RMB1.76 billion. SMO revenue grew 26.1% YoY, maintaining an industry leading position in

China. In 2023, SMO supported 54 new drug approvals for customers. SMO business sustained rapid growth, and gained market share in multiple therapeutic areas (lung cancer, breast cancer, dermatology, cardiovascular disease, ophthalmology, rheumatology, nervous system, endocrinology, medical aesthetics and vaccines etc.). In 2023, clinical CRO enabled our customers to obtain 21 IND approvals and submit 5 NDA filings.

(3) WuXi Biology

Revenue from WuXi Biology grew 3.1% YoY to RMB2.55 billion. The Company has one of the largest discovery biology enabling platforms, with approximately 3,000 experienced scientists (across 9 sites in 3 countries), covering all stages of drug discovery and all major therapeutic areas. The Company focused on improving capabilities related to new modalities. Number of customers and projects served by our nucleic acid platform continued to increase. Cumulatively, we have provided services to over 200 customers, and have successfully delivered over 900 projects since 2021. In 2023, WuXi Biology revenue from new modalities grew 26% YoY, contributing 27.5% of WuXi Biology revenue. The comprehensive early discovery screening platform integrates multitechnologies (HTS, DEL, ASMS, FBDD, CADD etc.) and analysis capabilities of multi-dimensional databases, which can provide extensive and in-depth services to customers. Meanwhile, the Company established the automated high throughput protein production platform, and launched DELvision, which is a new service that empowers customers to effectively decipher the mechanism of protein-small molecule interactions. In addition, the Company completed the Suzhou Guoxiang research platform in 23Q4, strengthening the new capabilities of in vitro biology and in vivo pharmacology. In 2023, it continued to generate downstream opportunities and contributed more than 20% of the Company's new customers.

(4) WuXi ATU

Revenue from WuXi ATU grew 0.1% YoY to RMB1.31 billion. The Company focused on improving our CTDMO integrated enabling platform and strengthening capabilities and capacities. By the end of 2023, we provided development, testing and manufacturing services to 64 projects, including 1 commercial project, 5 Phase III projects (1 project in BLA review stage, and 2 projects in BLA preparation stage), 9 Phase II projects and 49 preclinical and Phase I projects. In February 2024, the second commercial project obtained approval. In 2023, we supported a customer to file BLA for Plasmid and Lenti-viral Vector (LVV) used in a CAR-T product and passed China's Center for Food and Drug Inspection (CFDI) LVV on-site inspection. Our customer's product obtained approval in November 2023. In addition, we supported a customer to complete the BLA filing for the world's first innovative Tumor Infiltrating Lymphocyte (TIL)-based therapy, and our facilities in Philadelphia (U.S.) successfully passed the FDA pre-license inspection (PLI). Our customer's product obtained approval in February 2024. In June 2023, we signed an LVV

manufacturing contract used in a commercial CAR-T product. With the process performance qualification now in progress, it is expected to start manufacturing in the first half of 2024. Moreover, we are preparing for the BLA filing for the manufacture of a blockbuster commercial CAR-T product, the process performance qualification of which is expected to be completed in the first half of 2024, and we expected to file pre-approval submission (PAS) to FDA in the second half of 2024.

(5) WuXi DDSU

Revenue from WuXi DDSU declined 25.1% YoY to RMB0.73 billion due to business transition. In 2023, 3 new drugs developed for our customers have obtained NMPA approvals, including 2 for COVID-19 infection treatment and 1 for tumor treatment. We continued to receive the royalty income from costumers for the approved new drugs. Moreover, 2 new drug candidates are in the NDA review stage. In November 2023, for the first time, we supported a customer to reach a licensing agreement with one of the top 10 global pharmaceutical companies in the field of oncology. In 2023, we supported customers to file INDs for 18 drug candidates and obtain 25 Clinical Trial Approvals (CTAs). Cumulatively, we have submitted 190 new chemical entity IND filings and obtained 169 CTAs for customers, among which 3 projects have obtained NDA approvals, 2 projects are in the NDA review stage, 4 projects are in Phase III, 32 projects are in Phase II, and 73 projects are in Phase I, covering multiple therapeutic areas. Currently, we are supporting 17 new modality projects for customers covering Peptide/Peptide-Drug-Conjugation (PDC), protein degraders and oligo. Multiple projects have completed preclinical development and filed INDs, among which 5 projects have entered clinical stage.

II. REVIEW OF THE MAIN WORKS OF THE BOARD OF DIRECTORS IN 2023

(I) Conscientiously performing the obligations of the Board of Directors, and giving full play to the decision-making power of the board on major issues

The Board fully and effectively carried out all the decisions considered and approved at the shareholders' general meeting and performed its responsibilities in strict accordance with the Company Law, the Securities Law of the People's Republic of China, the Governance Guidelines for Listed Companies and other relevant laws and regulations, the listing rules of the stock exchange where the Company's shares are listed, and the internal rules and management systems of the Company, including the Articles of Association. It also exercised the functions and duties other than those of the shareholders' general meeting as stipulated under the Company Law and the Articles of Association, and examined the key issues in the operation and development of the Company and prudently made decisions according to the laws.

In 2023, the Board held 11 meetings (including 4 regular meetings and 7 extraordinary meetings) and considered 60 proposals, including: (1) proposals relating to works of the Board of Directors, Chief Executive Officer and co-chief executive officer, including Work Report of the Board of Directors for 2022 and Work Report of the Chief Executive Officer and co-chief executive officer for 2022; (2) proposals relating to regular reports, including the annual reports, interim reports and quarterly reports; (3) proposals relating to the financial management of the Company, including Financial Report, Profit Distribution Plan, Deposit and Use of Funds Raised, External Guarantee, Re-appointment of Domestic and Overseas Accounting Firms, Foreign Exchange Hedging Business Carried Out by the Company, Cash Management, Connected Transactions, Fundraising Projects and Proposal for Issuance of Debt Financing Instruments; (4) proposals relating to corporate governance, such as Internal Control Report, ESG Report, Changes of Registered Capital and Amendments on the Articles of Association and other Systems; (5) proposals relating to the Directors and Company Secretary, including Election of Members of the Third Session of the Board of Directors, Appointment of Senior Management, Remuneration Plan of Directors and Senior Management, and Change of Joint Company Secretary; (6) proposals relating to equity incentives (including H share award and trust schemes), including unlock, exercise, adjustment, repurchase and cancellation of each batch of equity incentive plans over the years and the implementation and termination of the H share award and trust schemes; and (7) other proposals submitted to the general meeting of shareholders to authorize the Board, including the grant of general mandate for additional issue of A Shares and/or H Shares of the Company, and the grant of general mandate for repurchase of A Shares and/or H Shares of the Company.

(II) Submitting Major Issues to general meeting for deliberation and strictly implementing the relevant resolutions of the general meeting

The Board earnestly performed the obligations as the general meeting convener according to the Company Law and other relevant laws and regulations, listing rules of the stock exchange where the Company's shares are listed and the internal rules and management systems of the Company, including the Articles of Association, in order to ensure all Shareholders can exercise their rights according to laws.

In 2023, the Board convened 3 general meetings, namely Annual General Meeting for 2022, the First A Share Class Meeting for 2023 and the First H Share Class Meeting for 2023. Proposals considered involved the Reports of the Board of Directors and the Supervisory Committee, financial report, profit distribution plan, external guarantee, re-appointment of domestic and overseas accounting firms, foreign exchange hedging business carried out by the Company, changes of registered capital, amendments on the articles of association, remuneration plan of Directors and Supervisors, election of members of the third session of the Board of Directors and

the third session of the Supervisory Committee, the implementation of the 2023 H Share Award and Trust Scheme, and other proposals submitted to the general meeting of shareholders to authorize the Board.

The Board was able to strictly implement the resolutions adopted by the general meeting and fully implement the resolutions.

(III) Performance of duties by the special committees under the Board

The Board has four special committees, namely the Strategy Committee, the Audit Committee, the Remuneration and Appraisal Committee and the Nomination Committee. During the Reporting Period, four special committees held 15 meetings in total as follows:

The Strategy Committee held 1 meeting and mainly reviewed the financial report of the Company, the deposit and usage of funds raised, external guarantees, foreign exchange hedging business carried out by the Company, cash management, and fundraising projects according to the Rules of Procedures for the Strategy Committee of the Board of Directors.

The Audit Committee held 5 meetings and mainly reviewed the regular reports (including financial reports), profit distribution plan, the deposit and usage of funds raised, re-appointment of domestic and overseas accounting firms, connected transactions and internal control report according to the Rules of Procedures for the Audit Committee of the Board of Directors.

The Remuneration and Appraisal Committee held 7 meetings and mainly reviewed the unlock, exercise, adjustment, repurchase and cancellation of each batch of equity incentive plans over the years, the implementation and termination of the H share award and trust schemes, and the remuneration plan of Directors and senior management according to the Rules of Procedures for the Remuneration and Appraisal Committee of the Board of Directors.

The Nomination Committee held 2 meetings and mainly reviewed the election of members of the third session of the Board of Directors according to the Rules of Procedures for the Nomination Committee of the Board of Directors.

Each special committee under the Board shall be responsible for overseeing the operation and management of the Company from different perspectives and relevant issues within their respective scope of authority. All committees have duly performed their duties and provided professional advices to the Board.

(IV) Performance of duties by Independent Directors of the Company

In accordance with the Articles of Association, the independent Directors of the Company conducted sufficient discussions on the operation in compliance and operation management of the Company including the operation of the Board of Directors and the special committees under the Board, the fulfillment of the commitments of the Company and its shareholders, implementation of information disclosure and protection of investors' legal interests; and paid full attention to and actively provided independent opinions on financial issues such as the Profit Distribution Plan, the external guarantee amounts, re-appointment of domestic and overseas accounting firms, operation of foreign exchange hedging business, cash management, fundraising projects, and connected transactions, implementation of equity incentive plans; election of members of the third session of the Board of Directors, appointment of senior management and Directors, remuneration plan of the Directors and senior management, the implementation of equity incentive plans over the years, the implementation and termination of the H share award and trust schemes, internal control and internal control reports.

In 2023, the independent Directors of the Company performed their duties effectively. They paid attention to the information disclosure of the Company and actively studied relevant laws, regulations and rules. In addition, capitalizing on their own professional knowledge, they focused on, and actively participated in, the development of the Company and made valuable suggestions on the compliant operation and internal control of the Company. The efficiency of decision-making of the Company has been improved.

(V) Actively participating in compliance training to improve listing compliance awareness of Directors

To meet the regulatory requirements on listing and strengthen the ability of Directors to perform their duties, the Board of Directors has, based on the Company Law and other relevant laws and regulations, listing rules of the stock exchange where the Company's shares are listed and the internal rules and management systems of the Company, including the Articles of Association, participated in the securities compliance trainings organized by Jiangsu Securities Regulatory Bureau, the Shanghai Stock Exchange and Listed Company Association in Jiangsu Province to further improve its securities compliance awareness and ensure the regulation of duty performance of Directors. During the Reporting Period, approximately 13 compliance training sessions were organized for the Directors. These training sessions covered the study of policies relating to the registration-based reform, trainings for share incentive schemes, reform of the system for independent directors, induction and follow-up trainings for independent directors, trainings for anti-corruption and other aspects. In addition, the Company also promptly kept

Directors abreast of the latest documents relating to laws and regulations and regulatory requirements for reference and research, to strengthen the compliance awareness and duty performance of Board members.

(VI) Self-assessment of internal control

The objective of our internal control is to reasonably ensure the legal compliance of our operation and management, security of our assets and the truthfulness and integrity of our financial reports and relevant information, and to enhance our operating efficiency and effectiveness so to facilitate the implementation of our development strategies.

According to the investigation on the major deficiency of internal control relating to our financial reports, as of the benchmark date of internal control assessment report, there was no material deficiency of internal control relating to our financial reports. The Board considers that the Company has maintained effective internal control for our financial reports in all material aspects according to the requirements of the corporate internal control regulation system and relevant rules.

According to the investigation on the major deficiency of internal control relating to our non-financial reports, as of the benchmark date of internal control assessment report, there was no material deficiency of internal control relating to our non-financial reports.

During the period between the benchmark date of internal control assessment report and the publication date of the internal control assessment report, there was no other factor that would affect the conclusion of the effectiveness of our internal control.

(VII) Board independence evaluation

In appointing new independent Directors, the Company has conducted thorough investigation on the independence of the candidates, and reconfirmed the independence of the incumbent independent directors as at the end of the Reporting Period, ensuring that the independent Directors have complied with the independence requirement as prescribed in the Administrative Measures for Independent Directors of Listed Companies, the Shanghai Stock Exchange Self-Regulatory Supervision Guidelines for Listed Companies No. 1 – Standardised Operation and other relevant laws and regulations as well as the Articles of Association of the Company, and are qualified to serve as independent Directors of the Company.

In addition, the Company has established a complete set of effective policies to ensure that the Board can obtain independent views and opinions. The particulars are as follows: the Board consists of five executive Directors, two non-executive Directors and five independent Directors. The number of independent Directors accounts for more than one-third of the Board's composition in compliance with the requirements of the laws and regulations of the place where the shares of the Company are listed. The Board has established the Audit Committee, the Remuneration and Appraisal Committee, the Strategy Committee and the Nomination Committee, each of which has at least one independent Director as a committee member. The chairman of the Audit Committee, the Remuneration and Appraisal Committee and the Nomination Committee are independent Directors, with independent Directors constituting the majority in these committees. Independent Directors oversee the development strategy of the Company and acquire a thorough understanding of the operation conditions of the Company through the above positions. They also actively participate in the shareholders' general meetings, Board meetings and committee meetings to carefully consider and approve various proposals, and express independent opinions on major issues of the Company. Independent Directors are not entitled to compensation linked to their performance, but are paid fixed allowances for independent Directors in accordance with the Directors' remuneration plan adopted at the shareholders' general meeting. The Company actively creates conditions for independent Directors to perform their duties, such as arranging separate meetings between independent Directors and the chief executive officer of the Company each year to facilitate independent Directors to fully understand the ideas of the management. The Company also arranges two separate meetings each year between the Audit Committee consisting entirely of independent Directors and the internal audit department of the Company and the external audit firm to fully understand the internal control risks of the Company and express independent opinions. In addition, the Company also allows independent Directors to engage intermediaries or professionals to provide professional opinions on the discharge of their duties, and the reasonable fees required are borne by the Company. Through the above effective mechanisms, the Company ensures that the Board can obtain independent views and opinions.

(VIII) Remuneration of Directors and Senior Management

Remuneration plans of the Directors and senior management of the Company have been reviewed and approved in compliance with the applicable laws and regulations where the Shares of the Company are listed, the Articles of Association and other rules.

III. THE WORK PLAN OF THE BOARD OF DIRECTORS FOR 2024

In 2024, the Board will adhere to the principle of being responsible for all shareholders and continue to improve our corporate governance structure and standard operation, perform the duties of the Board with excellence and efficiency, continuously enhance the quality of information disclosure, increase the interaction with investors through multiple channels, strengthen our internal control and risk management, and actively fulfill our corporate social responsibilities, in order to reward our investors with better business results. In addition, the Board will further refine the working policies of the independent Directors, giving full play to the role of independent Directors in corporate governance of a listed company so as to enhance its quality.

WUXI APPTEC CO., LTD.

Work Report of the Supervisory Committee for the Year 2023

In 2023, all the members of the Supervisory Committee of WuXi AppTec Co., Ltd. (the “**Company**”) actively and conscientiously performed their duties, effectively supervised the Company’s operation, financial position, and the legal compliance of directors and senior managers in performing their duties, thus promoting the improvement of corporate governance structure, and safeguarding the interests of the Company and all shareholders.

I. MAJOR WORKS OF THE SUPERVISORY COMMITTEE IN 2023

(I) Performance of daily works

The Supervisory Committee of the Company earnestly performed its obligations in accordance with the Company Law of the People’s Republic of China (the “**Company Law**”), the Securities Law of the People’s Republic of China, the Governance Guidelines for Listed Companies and other relevant laws and regulations, the listing rules of the stock exchanges where the shares of the Company are listed, and the internal rules and management systems of the Company, including Articles of Association of WuXi AppTec Co., Ltd. (the “**Articles of Association**”).

In 2023, the Supervisory Committee held 9 meetings and considered 25 proposals, including: (1) proposals relating to works of the Supervisory Committee, such as Work Report of the Supervisory Committee for 2022; (2) proposals relating to regular reports; (3) proposals relating to the financial management of the Company, including Financial Report, Profit Distribution Plan, Use and Deposit of Funds Raised, External Guarantee, Connected Transactions and Investment Projects of Funds Raised; (4) proposals relating to corporate governance, such as internal control report; (5) proposal regarding supervisors, including the election of the third session of the shareholder representative supervisors and the supervisor remuneration plan; and (6) proposals relating to equity incentives, including vesting, exercise, adjustment, repurchase and cancellation of each batch of equity incentive plans over the years.

(II) Independent Opinions

1. Independent opinions of the Supervisory Committee on the legal operation of the Company: The Supervisory Committee supervised the convening and holding procedures and the resolutions of general meetings, and the meetings of the Board, as well as the implementation of the resolutions of the general meetings by the Board according to the Company Law and other relevant laws and regulations, listing rules of the stock

exchanges where the shares of the Company are listed and the internal rules and management systems of the Company, including the Articles of Association. The Supervisory Committee believes that the convening and holding procedures of the previous general meetings and meetings of the Board were in line with the applicable laws, the resolutions of the general meetings have been effectively implemented, the corporate governance structure has been further improved, the directors have acted in compliance and made decisions prudently, the directors and senior management are diligent, responsible, pragmatic and enterprising, and they have played an effective role in improving corporate governance, improving the effectiveness of corporate decision-making mechanism and safeguarding the interests of the Company and shareholders.

2. Audit opinions of the Supervisory Committee on the regular reports and the financial report of the Company: The preparation process of various regular reports and the financial report in 2023 prepared by the Company was in compliance with the laws and regulations, normative documents and the Articles of Association, and the formats and contents met the relevant requirement of China Securities Regulatory Commission and the stock exchanges where the shares of the Company are listed. The contents of such reports truly, accurately and completely reflected the actual situations as to the operation management, financial and other aspects of the Company, and did not contain any false records, misleading statements or material omissions. The standard unqualified audit report issued by Deloitte Touche Tohmatsu (a special general partnership) (德勤華永會計師事務所(特殊普通合夥)) and the analysis and evaluation of relevant important matters are objective and impartial.
3. Independent opinions of the Supervisory Committee on the profit distribution of the Company: The 2022 Profit Distribution Plan had comprehensively taken into account the Company's operating and financial conditions, operating performance, development prospects and future growth potential, and balanced the Company's long-term business development and shared the interests of its operating results with its shareholders. It complied with the requirements of laws, regulations and normative documents and was in line with the actual circumstances of the Company and the overall interests and long-term interests of its shareholders, and was favourable to the sustainable, stable and healthy development of the Company.
4. Independent opinions of the Supervisory Committee on the use and deposit of the funds raised by the Company: Special Report on the Deposit and Actual Use of the Funds Raised in 2022 and Special Report on the Deposit and Actual Use of the Funds Raised in the First Half of 2023 complied with the requirements of applicable laws, regulations

and normative documents, and truly reflected the actual situation of the deposit and use of the funds raised by the Company throughout 2022 and from January to June 2023 in all material aspects.

5. Independent opinions of the Supervisory Committee on external guarantees of the Company: The external guarantees in 2023 were favourable to improving the operating efficiency and profitability of subsidiaries, and complied with the requirements of laws, regulations and the Articles of Association, and there were no behaviours that prejudice the interests of the Company and its shareholders.
6. Independent opinion of the Supervisory Committee on the investment projects of the funds raised by the Company: The investment projects of the funds raised by the Company had fulfilled necessary decision-making procedures for the closing of projects and use of the surplus funds for liquidity replenishment, which complied with the requirements of applicable laws and regulations, were favourable to the Company's long-term development, and were in the interests of the Company and all of its shareholders.
7. Independent opinions of the Supervisory Committee on the connected transactions of the Company: The price of the connected transaction in 2023 was determined on the basis of the market price through negotiation between the parties in accordance with the fair principle. The decision-making process and implementation of connected transactions were not detrimental to the interests of the Company and its shareholders who are not connected persons.
8. Independent opinions of the Supervisory Committee on the internal control of the Company: The internal control system established by the Company complied with applicable laws and regulations and the listing rules of the stock exchanges where the shares of the Company are listed. There were no significant deficiencies in the completeness, rationality and effectiveness of the internal control system and related mechanisms of the Company in all major aspects. There were also no significant deviations in the actual implementation process. It can fully and effectively ensure the assets security and the smooth operation and management of the Company.
9. Independent opinions of the Supervisory Committee on matters related to supervisors of the Company: The procedures for the election of the third session of the shareholder representative supervisors complied with applicable laws and regulations and the relevant requirements of the Articles of Association. The nominees possess the qualifications and capabilities required to serve as the supervisors of the Company, and

**APPENDIX II WORK REPORT OF THE SUPERVISORY COMMITTEE
FOR THE YEAR 2023**

there were no circumstances where the nominees were not allowed to serve as supervisors of the Company. The supervisor remuneration plan for the third session was formulated based on the industry characteristics and actual operation situation of the Company, and did not involve actions that prejudice the interests of the Company and its shareholders. The plan also fulfilled the necessary approval procedures in accordance with applicable laws and regulations of the places where the shares of the Company are listed, the Articles of Association and other regulations.

10. Independent opinions of the Supervisory Committee on the implementation of the equity incentive plans of the Company: The Supervisory Committee verified the unlocking of restricted shares, the exercise of options, the repurchase of restricted shares and cancellation of options of the Equity Incentive Plan of 2018 and the Equity Incentive Plan of 2019 in accordance with the “Administrative Measures for Equity Incentives of Listed Companies”, the Articles of Association and other relevant regulations. It believed that the above matters complied with the requirements of applicable laws and regulations and the Articles of Association and the procedures were legal and effective, and there were no circumstances that prejudice the interests of the Company’s shareholders.

II. WORK PLAN OF SUPERVISORY COMMITTEE FOR 2024

In 2024, the Supervisory Committee will continue to strengthen its own learning, actively participate in various special compliance trainings, and improve its compliance awareness and performance, and will, based on the Company Law and other relevant laws and regulations, listing rules of the stock exchanges where the shares of the Company are listed and the internal rules and management systems of the Company, including the Articles of Association, continue to act diligently and responsibly and effectively supervise the Company’s operation, financial position, the performance of the directors and senior managers, and the operation of the internal control management system, so as to safeguard the interests of the Company and all shareholders.

WUXI APPTEC CO., LTD.
Financial Report for the Year 2023

The financial statements for 2023 of WuXi AppTec Co., Ltd. (the “**Company**”) have been audited by Deloitte Touche Tohmatsu (a special general partnership) (德勤華永會計師事務所(特殊普通合夥)). The financial statements for 2023 of the Company and its subsidiaries are hereby reported as follows (unless otherwise specified herein, the values are in Renminbi):

In 2023, the Company achieved steady business development, and further enhanced the budget management and centralized capital management. The financial operation of the Company continued to improve, and the costs and expenses were controlled within the budget. Cash flow increased steadily, and overall profitability was further improved. The Company has realized the steady growth of business development and economic benefits, and achieved the predefined economic indexes.

The Company’s financial position, business results and cash flow status for 2023 have been audited by Deloitte Touche Tohmatsu (a special general partnership) (德勤華永會計師事務所(特殊普通合夥)), which has issued a standard unqualified audit report.

I. OPERATING STATUS

Unit: RMB100 million

Items of the statements	2023	2022	Change	Percentage
Operating income	403.41	393.55	9.86	2.51%
Operating cost	-237.29	-246.77	9.48	-3.84%
Taxes and surcharges	-2.97	-2.00	-0.97	48.39%
Selling expenses	-7.01	-7.32	0.31	-4.18%
Administrative expenses	-28.79	-28.26	-0.53	1.88%
R&D expenses	-14.41	-16.14	1.73	-10.74%
Finance expenses (positive number represents income)	3.38	2.48	0.90	36.36%
Other income	4.72	4.42	0.30	6.81%

Notes:

(1). The above data were prepared under Accounting Standard for Business Enterprises of PRC.

(2). Any discrepancies in the sum of data listed above with the total were due to rounding.

Items of the statements	2023	2022	Change	Percentage
Investment gains	2.34	1.88	0.46	24.42%
(Losses)/gains from changes in fair value	-0.38	7.70	-8.08	N/A
Credit impairment losses	-2.38	-1.15	-1.23	107.47%
Assets impairment losses	-1.57	-1.76	0.19	-11.05%
Losses on assets disposal	-0.33	-0.11	-0.22	199.85%
Non-operating income	0.17	0.10	0.07	72.07%
Non-operating expenses	-0.57	-0.43	-0.13	31.03%
Total profit	118.32	106.18	12.14	11.43%
Income tax expenses	-21.32	-17.16	-4.16	24.24%
Net profit	97.00	89.03	7.98	8.96%
Net profit attributable to the owners of the Company	96.07	88.14	7.93	9.00%

(I) Operating Income

In 2023, operating income was RMB40.341 billion, representing an increase of 2.51% as compared with the previous year. In 2023, the Company continuously optimized and explored its business synergies across different platforms and accelerated its globalization efforts to further strengthen its unique integrated CRDMO (Contract Research, Development and Manufacturing Organization) and CTDMO (Contract Testing, Development and Manufacturing Organization) business models. It provided genuine one-stop services to meet customers' needs ranging from drug discovery and development to manufacturing.

(II) Cost and expense

1. Operating costs: In 2023, the Company's operating cost was RMB23.729 billion, decreased by 3.84% compared with the previous year. The operating cost accounted for 58.82% of the operating income, which decreased by 3.88pts compared with the previous year.
2. Selling expenses: In 2023, the Company's selling expense was RMB701 million, decreased by 4.18% compared with the previous year. Administrative expenses: In 2023, the Company's administrative expense was RMB2.879 billion, increased by 1.88%

Notes:

(1). The above data were prepared under Accounting Standard for Business Enterprises of PRC.

(2). Any discrepancies in the sum of data listed above with the total were due to rounding.

compared with the previous year. R&D expenses: In 2023, the Company's R&D expense was RMB1.441 billion, decreased by 10.74% compared with the previous year. During the reporting period, the selling expenses, administrative expenses and R&D expenses of the Company remained stable, which was mainly attributable to the continuous optimization of the operating efficiency of the Company.

3. Finance expenses: In 2023, the Company's finance expense was RMB(338) million, as compared to RMB(248) million in the previous year, primarily attributable to the increase in interest income as a result of the increase in cash flow and interest rate of the Company.

(III) Profits

In 2023, the total profit of the Company was RMB11.832 billion, increased by 11.43% compared with RMB10.618 billion in the previous year. The net profit attributable to the owners of the Company was RMB9.607 billion, increased by 9.00% compared with RMB8.814 billion in the previous year. The increase was mainly due to the growth in revenue, and continuously improving its production capacity utilization rate by the Company through the continuous optimization of operational efficiency, further revealing the scale effect.

Notes:

(1). The above data were prepared under Accounting Standard for Business Enterprises of PRC.

(2). Any discrepancies in the sum of data listed above with the total were due to rounding.

II. KEY FINANCIAL POSITIONS

Unit: RMB100 million

Items of the statements	At the end of 2023	At the end of 2022	Change	Percentage
Current assets	304.22	239.97	64.25	26.77%
Non-current assets	432.47	406.93	25.54	6.28%
Total assets	736.69	646.90	89.79	13.88%
Current liabilities	147.56	144.99	2.57	1.77%
Non-current liabilities	33.96	32.64	1.31	4.02%
Total liabilities	181.52	177.64	3.88	2.19%
Equity attributable to owners of the Company	551.22	465.90	85.33	18.31%
Non-controlling interests	3.95	3.37	0.58	17.31%
Total equity (or shareholders' equity)	555.17	469.27	85.91	18.31%

(I) Assets

The total assets of the Company at the end of 2023 was RMB73.669 billion, representing an increase of RMB8.979 billion, or 13.88%, as compared with the end of 2022. In which:

Cash and cash equivalents amounted to RMB13.764 billion, representing an increase of RMB5.778 billion as compared with the end of the previous year. The increase was mainly due to the significant increase in free cash flow during the year.

Trade receivables and contract assets amounted to RMB9.136 billion, representing an increase of RMB2.115 billion as compared with the end of the previous year. The increase was mainly due to the growth in the operating income of the Company during 2023, resulting in increase in trade receivables.

Notes:

(1). The above data were prepared under Accounting Standard for Business Enterprises of PRC.

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Long-term equity investment amounted to RMB2.216 billion, representing an increase of RMB1.013 billion as compared with the end of the previous year. The increase was mainly due to the net asset growth from IPO completion of an associate, WuXi XDC Cayman Inc. resulting in an increase in the share of equity of the Company.

(II) Liabilities

The total liabilities at the end of 2023 were RMB18.152 billion, with an increase of RMB0.388 billion or 2.19% over the end of 2022. In which:

Short-term and long-term borrowings were RMB4.409 billion, representing an increase of RMB0.255 billion as compared with the end of the previous year. The increase was mainly for the replenishment of working capital and meeting the needs of various investment projects.

Tax payables amounted to RMB1,374 million, representing an increase of RMB492 million as compared with the end of the previous year. The increase was mainly due to an increase in profits before tax of subsidiaries, resulting in an increase in corporate income tax payables.

Derivative financial liabilities amounted to RMB502 million, representing an increase of RMB386 million as compared with the end of the previous year. The increase was mainly due to fluctuations in the fair value of foreign exchange forward transactions during the year.

The balance of bond payables and other non-current liabilities were RMB0, representing a decrease of RMB650 million as compared with the end of the previous year. The decrease was mainly due to the completion of the early redemption of convertible bonds of the Company during the year.

(III) Equity

Equity attributable to owners of the Company at the end of 2023 was RMB55.122 billion, with an increase of RMB8.533 billion from that of the end of 2022, mainly due to the net profit attributable to the owners of the Company of RMB9.607 billion realized in 2023 and the payment of RMB2.649 billion for the execution of the 2022 Profit Distribution Plan, while the remaining increase of RMB1.575 billion was due to the comprehensive effects on equity of shareholders resulting from the conversion of H-share convertible bonds and the exercise of share options.

Notes:

(1). The above data were prepared under Accounting Standard for Business Enterprises of PRC.

(2). Any discrepancies in the sum of data listed above with the total were due to rounding.

(IV) Cash Flows*Unit: RMB100 million*

Statement items	2023	2022	Change Percentage	
Net cash flows from operating activities	133.87	106.16	27.71	26.10%
Net cash flows from investment activities	-75.61	-96.90	21.30	-21.98%
Net cash flows from financing activities	-39.41	-12.78	-26.64	208.45%
Net increase in cash and cash equivalents	20.17	-1.91	22.09	N/A

1. Cash flows from operating activities

Cash inflow from operating activities in 2023 was RMB42.273 billion, in which, cash received from sales of goods and services offering was RMB39.358 billion, accounting for 93.11% of the cash inflow from operating activities.

Cash outflow from operating activities was RMB28.886 billion, in which, cash paid for goods and services was RMB14.189 billion, accounting for 49.12% of the cash outflow from operating activities. Cash paid to and for employees was RMB10.692 billion, accounting for 37.02% of the cash outflow from operating activities.

Net cash inflow from operating activities was RMB13.387 billion, with an increase of RMB2.771 billion or 26.10% compared with net inflow of RMB10.616 billion in 2022. The increase was mainly due to the foreign exchange effects, the steady growth of receivable collection and the continuous improvement on working capital management.

2. Cash flows from investment activities

The cash inflow from investment activities was RMB2.899 billion, mainly consisting of the proceeds from the certificates of deposit, the redemption of bank wealth management products and the income received from disposal of investment.

Notes:

(1). The above data were prepared under Accounting Standard for Business Enterprises of PRC.

(2). Any discrepancies in the sum of data listed above with the total were due to rounding.

The cash outflow from investment activities was RMB10.460 billion, mainly including the disbursement of RMB5.517 billion for fixed assets and other long-term assets (accounting for 52.74% of cash outflow from investment activities), and RMB4.921 billion for equity investment and investment in wealth management products (accounting for 47.05% of cash outflow from investment activities).

Net cash outflow from investment activities was RMB7.561 billion, with a decrease of RMB2.130 billion, or 21.98%, compared with the net outflow of RMB9.690 billion in 2022. The decrease was primarily due to the decrease in capital expenditures caused by timing difference on construction projects settlement.

3. Cash flows from financing activities

The cash inflow from financing activities was RMB7.091 billion, mainly including loans of RMB6.844 billion, which accounted for 96.52% of the cash inflow from financing activities.

The cash outflow from financing activities was RMB11.032 billion, mainly including the repayment of borrowings of RMB6.666 billion, which accounted for 60.42% of the cash outflow from financing activities; and the cash of RMB2.756 billion paid for the distribution of dividend and profit or the repayment of interests, which accounted for 24.98% of the cash outflow from financing activities.

The net cash outflow from financing activities was RMB3.941 billion, with an increase of RMB2.664 billion, or 208.45%, compared to net outflow of RMB1.278 billion in 2022. This was mainly due to the comprehensive effects of the increase in cash dividend payment and the increase in repayment of bank borrowings during the reporting period.

Notes:

(1). The above data were prepared under Accounting Standard for Business Enterprises of PRC.

(2). Any discrepancies in the sum of data listed above with the total were due to rounding.

III. KEY FINANCIAL INDEXES

Key indexes	2023	2022	Change
Current ratio	2.06	1.66	0.40
Quick ratio	1.72	1.24	0.48
Gearing ratio (%)	24.64	27.46	-2.82
Operating profit margin (%)	29.43	27.07	2.36
Weighted average return on equity (%)	18.99	20.62	-1.63
Trade receivable turnover rate (time)	4.80	6.14	-1.34
Trade payable turnover rate (time)	14.36	13.75	0.61
Inventory turnover rate (time)	4.45	4.20	0.25

(I) Solvency indexes

Current ratio of 2023 was 2.06, which was 0.40 higher than that of 2022; the quick ratio was 1.72, which was 0.48 higher than that of 2022. This was mainly due to the significant increase in cash and cash equivalents of the Company during 2023, thus current ratio and quick ratio both increased.

The gearing ratio for 2023 was 24.64%, which was 2.82pts lower than that of 2022. This was mainly due to the increases in free cash flow and net profit, resulting in higher growth rate of assets than that of liabilities.

(II) Profitability indexes

Operating profit margin: The operating profit margin of 2023 was 29.43%, representing an increase of 2.36pts as compared with 2022. While maintaining steady growth in operating revenue, the Company continuously improved its production capacity utilization rate through the continuous optimization of operational efficiency, further revealing the scale effect.

Weighted average return on equity: The weighted average return on equity for the year was 18.99%, representing a decrease of 1.63pts as compared with the previous year. The decrease was primarily due to the increases in free cash flow and retained earnings of the Company during year and the Company will use the earning funds to invest in boosting the future growth, resulting in the growth rate of net assets being higher than that of net profit.

Notes:

(1). The above data were prepared under Accounting Standard for Business Enterprises of PRC.

(2). Any discrepancies in the sum of data listed above with the total were due to rounding.

(III) Operating capacity indexes

Turnover rate: the trade receivable turnover rate of 2023 was 4.80 times, compared with 6.14 times in 2022, decelerating by 1.34 times, which was primarily due to the fluctuations in the speed of customer receivable collection while the industry's financing environment faced the cyclical adjustments. The trade payable turnover rate of 2023 was 14.36 times, compared with 13.75 times in 2022, accelerating by 0.61 times; the inventory turnover rate of 2023 was 4.45 times, compared with 4.20 times in 2022, accelerating by 0.25 times. The increases in inventory and trade payable turnover rate were mainly because of the continuous growth of principal businesses for 2023 and the Company's continuous improvement on operating process.

IV. CHANGES IN ACCOUNTING POLICIES DURING THE YEAR

There were no changes in the accounting policies of the Company during the year.

Notes:

- (1). The above data were prepared under Accounting Standard for Business Enterprises of PRC.
- (2). Any discrepancies in the sum of data listed above with the total were due to rounding.

In order to meet the need of business operation and development of domestic and overseas subsidiaries (hereinafter referred to as “**Subsidiaries**”) within the scope of the consolidated financial statements of WuXi AppTec Co., Ltd. (the “**Company**”), in accordance with the Company Law of the People’s Republic of China and other relevant laws and regulations, the listing rules of the stock exchanges in the place where the shares of the Company are listed, Shanghai Stock Exchange Self-Regulatory Supervision Guidelines for Listed Companies No. 1 — Standardized Operation, the Articles of Association of WuXi AppTec Co., Ltd. and the Management System for External Guarantee and Provision of Financial Assistance of WuXi AppTec Co., Ltd., the Company intends to provide guarantees of up to RMB11.5 billion to its subsidiaries with a debt-to-asset ratio below 70% (calculated based on the latest unaudited financial statements) in 2024, namely, WuXi AppTec (Shanghai) Co., Ltd., WuXi AppTec (Suzhou) Co., Ltd., WuXi AppTec (Tianjin) Co., Ltd., Nantong WuXi Pharmaceutical Technology Co., Ltd., WuXi AppTec (Changshu) Co., Ltd., WuXi AppTec Holding Company, Inc., WuXi AppTec, Inc., Shanghai SynTheAll Pharmaceutical Co., Ltd., WuXi STA Pharmaceutical Co., Ltd., Changzhou STA Life Science Co., Ltd., Changzhou SynTheAll Pharmaceutical Co., Ltd., Taixing STA Pharmaceutical Co., Ltd., Shanghai STA Pharmaceutical R&D Co., Ltd. and WuXi AppTec (HongKong) Limited. Such guarantee amounts shall be valid for 12 months from the date of approval of this resolution at the 2023 AGM or until the date of approval of the external guarantee amounts for 2025 at the 2024 annual general meeting of the Company (whichever is shorter). The abovementioned authorized guarantees includes any single guarantee to be provided during the validity period in the amount exceeding 10% of the net assets as shown in the latest audited consolidated financial statements of the Company.

The balance of the guarantee at any time during the authorization period shall not exceed the limit as approved at the general meeting of the shareholders of the Company, being RMB11.5 billion. The remaining balance of the guarantee shall mean the highest remaining balance of the guarantee at any given day, and shall not be double-calculated based on the amount incurred. The above guarantee occurs between the Company and its wholly-owned subsidiaries and subsidiaries which it has majority control over, and the guarantee risks are controllable.

Subject to the approval of the above-mentioned external guarantee amounts at the general meeting of the Company, the finance department of the Company shall be further authorized to determine its organization and implementation.

In accordance with the current business development and future development strategy of WuXi AppTec Co., Ltd. (the “**Company**”), the international business volume of the Company will continue to increase, and its foreign exchange exposure will also increase accordingly. When the exchange rate fluctuates significantly, the impact of exchange gains and losses on the Company’s operating performance may also increase. In order to effectively prevent the adverse impact of significant exchange rate fluctuations on its operations and reduce foreign exchange risk under the premise of ensuring the daily working capital demand, the Company and its subsidiaries within the scope of its consolidated statements (hereinafter referred to as the “**subsidiaries**”) will continue to carry out the forward foreign exchange settlement and other business with banks in 2024 to lock the exchange rate, and reduce the impact of exchange rate fluctuations on its operating profit, in active response to the uncertainties in the exchange rate market.

Taking into consideration its export income level, the total amounts of the foreign exchange hedging business carried out by the Company and its subsidiaries in 2024 shall not exceed US\$7.0 billion or other equivalent foreign currencies (hereinafter referred to as “**Total Amounts of the Foreign Exchange Hedging Business**”). The proposed foreign exchange hedging businesses include forward foreign exchange settlement and sales business and other foreign exchange derivative products. The term shall be 12 months from the date of approval of this resolution at the 2023 AGM or until the date of approval of the Total Amounts of the Foreign Exchange Hedging Business for 2025 by the Board or at the general meeting in 2024 (subject to approval and authorization) (whichever is shorter). The fund shall be revolving within the above limit and during the validity period of the resolution. The specific amount shall mean the highest remaining balance of the foreign exchange hedging at any given day, and shall not be double-calculated based on the amount incurred.

In order to standardize the foreign exchange derivatives trading business of the Company and its subsidiaries and ensure the safety of the Company’s assets, subject to the approval of the general meeting of the Company, it is proposed to grant authorization to the Board, which further authorizes the Company’s finance department to carry out the foreign exchange derivatives trading business within the quota approved at the general meeting based on the business conditions and actual demand on the premise of being approved at the general meeting of the Company.

APPENDIX VI PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Company proposes to amend the Articles of Association as follows:

Original Articles	Amended Articles
<p>Article 1 To protect the legal rights and interests of the Company, shareholders and creditors, and regulate the organization and behavior of WuXi AppTec Co., Ltd. (hereinafter referred to as “the Company”), these Articles of Association are formulated in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as “the Company Law”), the Securities Law of the People’s Republic of China (hereinafter referred to as “the Securities Law”), Special Provisions of the State Council Concerning the Floatation and Listing Abroad of Stocks by Limited Stock Companies (hereinafter referred to as “the Special Provisions”), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas(hereinafter referred to as “the Mandatory Provisions”), the Reply of the State Council on the Adjustment of the Notice Period of General Meeting and Other Matters Applicable to Overseas Listed Companies (Guo Han [2019] No. 97), the Guidelines for the Articles of Association of Listed Companies, the Letter for Comments on the Amendments to Articles of Association of Companies Listed in Hong Kong (Zheng Jian Hai Han [1995] No. 1, hereinafter referred to as “Zheng Jian Hai Han”), the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as “Hong Kong Listing Rules”) and other relevant regulations.</p>	<p>Article 1 To protect the legal rights and interests of the Company, shareholders and creditors, and regulate the organization and behavior of WuXi AppTec Co., Ltd. (hereinafter referred to as “the Company”), these Articles of Association are formulated in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as “the Company Law”), the Securities Law of the People’s Republic of China (hereinafter referred to as “the Securities Law”), Special Provisions of the State Council Concerning the Floatation and Listing Abroad of Stocks by Limited Stock Companies (hereinafter referred to as “the Special Provisions”), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas(hereinafter referred to as “the Mandatory Provisions”), the Reply of the State Council on the Adjustment of the Notice Period of General Meeting and Other Matters Applicable to Overseas Listed Companies (Guo Han [2019] No. 97), the Guidelines for the Articles of Association of Listed Companies, the Letter for Comments on the Amendments to Articles of Association of Companies Listed in Hong Kong (Zheng Jian Hai Han [1995] No. 1, hereinafter referred to as “Zheng Jian Hai Han”); Trial Measures for the Administration of Overseas Securities Offering and Listing by Domestic Enterprises, the Guidelines for the Articles of Association of Listed Companies, the Rules Governing the Listing of Stocks on Shanghai Stock Exchange (hereinafter referred to as “Listing Rules of SSE”), the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as “Hong Kong Listing Rules”) and other relevant regulations.</p>
<p>Article 2 The Company is a joint stock company established in accordance with the Company Law, the Special Provisions and other laws, regulations and normative documents in the territory of China.</p> <p>.....</p>	<p>Article 2 The Company is a joint stock company established in accordance with the Company Law, the Special Provisions and other laws, regulations and normative documents in the territory of China.</p> <p>.....</p>

APPENDIX VI PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

<p>Article 3</p> <p>.....</p> <p>On November 6, 2018, the Company was approved by CSRC to issue 116,474,200 shares of overseas listed foreign shares in Hong Kong (hereinafter referred to as “H-shares”) under the Global Offering for the first time and over-allotted 5,321,200 H-shares. The abovementioned H-shares were listed on The Stock Exchange of Hong Kong Limited (hereinafter referred to as “HKEX”) on December 13, 2018 and January 9, 2019, respectively.</p>	<p>Article 3</p> <p>.....</p> <p>On November 6, 2018, the Company was approved by CSRC to issue 116,474,200 shares of overseas listed foreign shares in Hong Kong (hereinafter referred to as “H-shares”) in Hong Kong under the Global Offering for the first time and over-allotted 5,321,200 H-shares. The abovementioned H-shares were listed on The Stock Exchange of Hong Kong Limited (hereinafter referred to as “HKEX”) on December 13, 2018 and January 9, 2019, respectively.</p>
<p>Article 5 The Company’s address is Mashan No. 5 Bridge, Binhu District, Wuxi City, Jiangsu Province, with a postal code of 214092. Tel: +86 (021) 2066-3091; Fax: +86 (021) 5046 3093.</p>	<p>Article 5 The Company’s address is Mashan No. 5 Bridge, Binhu District, Wuxi City, Jiangsu Province, with a postal code of 214092. Tel: +86 (021) 2066-3091; Fax: +86 (021) 5046 3093.</p>
<p>Article 6 The registered capital of the Company is RMB2,962,088,310.</p>	<p>Article 6 The registered capital of the Company is RMB2,962,088,310,933,336,997.</p>
<p>Article 10 The Articles of Association shall come into effect on the date of consideration and approval at the general meeting of the Company. From the effective date of the Articles of Association, the former articles of association of the Company shall automatically go out of effect.</p> <p>.....</p> <p>According to the Articles of Association, shareholders can sue the Company, the Company can sue shareholders, and shareholders can sue shareholders, directors, supervisors, manager (president and CEO) and other senior management.</p> <p>The suing stated in the preceding paragraph includes filing a lawsuit to a court or applying for arbitration to an arbitration organization.</p>	<p>Article 10 The Articles of Association shall come into effect on the date of consideration and approval at the general meeting of the Company. From the effective date of the Articles of Association, the former articles of association of the Company shall automatically go out of effect.</p> <p>.....</p> <p>According to the Articles of Association, shareholders can sue <u>shareholders, shareholders can sue directors, supervisors, manager (president and CEO) and other senior management of the Company, shareholders can sue the Company, and the Company can sue shareholders, and shareholders can sue shareholders, directors, supervisors, manager (president and CEO) and other senior management.</u></p> <p>The suing stated in the preceding paragraph includes filing a lawsuit to a court or applying for arbitration to an arbitration organization.</p>

APPENDIX VI PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

<p>Article 19 Upon approval of the securities regulatory authority of the State Council, the Company may issue stocks to domestic investors or overseas investors.</p> <p>The overseas investors stated in the preceding paragraph refer to the investors of foreign countries and Hong Kong, Macao and Taiwan regions who subscribe the shares issued by the Company; the domestic investors stated in the preceding paragraph refer to the investors who subscribe the shares issued by the Company and are from the territory of the People's Republic of China except the regions mentioned above.</p>	<p>Article 19 Upon approval of the securities regulatory authority of the State Council, the Company may issue stocks to domestic investors or overseas investors based on the procedures specified in applicable laws of the place where the stocks of the Company are listed.</p> <p>The overseas investors stated in the preceding paragraph refer to the investors of foreign countries and Hong Kong, Macao and Taiwan regions who subscribe the shares issued by the Company; the domestic investors stated in the preceding paragraph refer to the investors who subscribe the shares issued by the Company and are from the territory of the People's Republic of China except the regions mentioned above.</p>
<p>Article 20 The shares issued by the Company to domestic investors and other qualified investors and subscribed in Renminbi are called domestic shares. The shares issued by the Company to overseas investors and subscribed in foreign currencies are called foreign shares. The foreign shares listed overseas are called overseas listed foreign shares.</p> <p>The foreign currencies stated in the preceding paragraph refer to the legal tenders of other countries or regions that are accepted by national authority for foreign exchange and may be used to pay for shares to the Company except Renminbi.</p> <p>The overseas listed foreign shares issued by the Company in Hong Kong refer to the stocks listed on HKEX upon approval, indicating par value in Renminbi and subscribed and traded in Hong Kong dollars.</p> <p>The shareholders of domestic shares and shareholders of foreign shares are both shareholders of ordinary shares, enjoy the same rights and assume the same obligations.</p>	<p>Article 20 The shares issued by the Company to domestic investors and other qualified investors and subscribed in Renminbi are called domestic shares. The shares issued by the Company to overseas investors and subscribed in foreign currencies are called foreign shares. The foreign shares listed overseas are called overseas listed foreign shares.</p> <p>The foreign currencies stated in the preceding paragraph refer to the legal tenders of other countries or regions that are accepted by national authority for foreign exchange and may be used to pay for shares to the Company except Renminbi.</p> <p>The domestic shares or A-shares stated in the Articles of Association refer to <u>The overseas listed foreign shares</u> ordinary shares issued by the Company which are listed on the Shanghai Stock Exchange and traded in Renminbi.</p> <p>The overseas listed foreign shares or H-shares stated in the Articles of Association in Hong Kong refer to the stocks issued by the Company which are listed and traded on HKEX upon approval, indicating par value in Renminbi and subscribed and traded in Hong Kong dollars.</p> <p>The shareholders of domestic shares and shareholders of foreign shares are both shareholders of ordinary shares, enjoy the same rights and assume the same obligations.</p>

APPENDIX VI PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

<p>Article 21 The domestically listed domestic shares issued by the Company shall be deposited in Shanghai Branch of China Securities Depository and Clearing Co., Ltd. in a centralized way. The H-shares issued by the Company are mainly deposited in the trusted companies subordinate to Hong Kong Securities Clearing Company Ltd.</p>	<p>Article 21 The domestically listed domestic shares <u>A-shares</u> issued by the Company shall be deposited in Shanghai Branch of China Securities Depository and Clearing Co., Ltd. in a centralized way. The H-shares issued by the Company are mainly deposited in the trusted companies subordinate to Hong Kong Securities Clearing Company Ltd.</p>
<p>Article 23 After establishment, the Company issued for the first time 104,198,556 domestic shares to domestic investors and other qualified investors upon approval of CSRC. After the abovementioned issuance, the total number of shares of the Company is 1,041,985,556, all being Renminbi ordinary shares.</p> <p>The Company issued 121,795,400 H-shares to overseas investors in 2018 for the first time upon approval of CSRC. After the abovementioned issuance, the total number of shares of the Company is 1,170,062,286, all being ordinary shares.</p> <p>The shareholding of the Company is: 2,962,088,310 ordinary shares, including 2,564,760,485 shares held by shareholders of domestically listed domestic shares; 397,327,825 shares held by H-share shareholders.</p>	<p>Article 23 After establishment, the Company issued for the first time 104,198,556 A-shares <u>domestic shares to domestic investors</u> and other qualified investors upon approval of CSRC. After the abovementioned issuance, the total number of shares of the Company is 1,041,985,556, all being Renminbi ordinary shares.</p> <p>The Company issued 121,795,400 H-shares to overseas investors in 2018 for the first time upon approval of CSRC. After the abovementioned issuance, the total number of shares of the Company is 1,170,062,286, all being ordinary shares.</p> <p>The shareholding of the Company is: 2,962,088,310 <u>2,933,336,997</u> ordinary shares, including 2,564,760,485 <u>2,546,260,847</u> shares held by <u>A-share</u> shareholders of domestically listed domestic shares; <u>387,076,150</u> shares held by H-share shareholders.</p>

APPENDIX VI PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

<p>Article 24 For a plan of the Company for issuance of H-shares and domestic shares approved by the securities regulatory authority of the State Council, the Board of the Company may make arrangement to issue H-shares and domestic shares respectively.</p> <p>For a plan of the Company for issuing H-shares and domestic shares respectively pursuant to the provisions in the preceding paragraph, the Company may issue H-shares and domestic shares respectively within 15 months from the approval date of the securities regulatory authority of the State Council or in the valid period of the approval document.</p> <p>Where the Company issues H-shares and domestic shares respectively within the total number of shares determined in the issuance plan, it shall float them in full in one issue respectively. If special circumstances prevent this from being realized, it may issue them in installments with the approval of the securities regulatory authority of the State Council.</p>	<p>Deletion</p>
<p>Article 28 Where the Company finds it necessary to reduce its registered capital, it must work out balance sheets and property inventory.</p> <p>.....</p> <p>The registered capital of the Company after reducing its capital shall not be any lower than the bottom line requirement as provided for by law.</p>	<p>Article 26Article 28 Where the Company finds it necessary to reduce its registered capital, it must work out balance sheets and property inventory.</p> <p>.....</p> <p>The registered capital of the Company after reducing its capital shall not be any lower than the bottom line requirement as provided for by law.</p>

APPENDIX VI PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

<p>Article 29 The Company may acquire shares of the Company in accordance with the laws, administrative regulations, departmental rules, normative documents and the listing rules of the stock exchange in the place where the stocks of the Company are listed and the Articles of Association in the following circumstances:</p> <p>.....</p> <p>(VII) Other circumstances permitted in laws or administrative regulations.</p> <p>Except for the above, the Company shall not acquire any shares of the Company.</p>	<p>Article 29 Article 27 The Company may acquire shares of the Company in accordance with the laws, administrative regulations, departmental rules, normative documents and the listing rules of the stock exchange in the place where the stocks of the Company are listed and the Articles of Association in the following circumstances:</p> <p>.....</p> <p>(VII) Other circumstances permitted in laws, <u>or administrative regulations, and the relevant provisions of CSRC and the stock exchange where the stocks of the Company are listed.</u></p> <p><u>The conditions imposed in item (VI) above shall be determined in accordance with applicable laws, administrative regulations and the relevant provisions of CSRC and the stock exchange where the stocks of the Company are listed.</u></p> <p>Except for the above, the Company shall not acquire any shares of the Company.</p>
<p>Article 30 The Company may choose one of the following ways to acquire the shares of the Company upon approval of relevant competent national authority:</p> <p>(I) to repurchase on the stock exchange by means of open trading;</p> <p>(II) to issue a repurchase offer to all shareholders at a same ratio;</p> <p>(III) to repurchase outside stock exchange in form of agreement;</p> <p>(IV) other methods specified in laws and administrative regulations and accepted by the securities regulatory authority of the State Council and other regulatory bodies.</p> <p>.....</p>	<p>Article 30 Article 28 The Company may choose one of the following ways to acquire the shares of the Company upon approval of relevant competent national authority:</p> <p>(I) to repurchase on the stock exchange by means of <u>through open centralized trading;</u></p> <p>(II) to <u>through issuing ane a repurchase offer to all shareholders at a same ratio;</u></p> <p>(III) through entering into agreements to repurchase outside stock exchange in form of agreement <u>according to the laws and regulations of the place where the stocks of the Company are listed and the listing rules of the stock exchange;</u></p> <p>(IV) other methods specified in laws and administrative regulations and accepted by the securities regulatory authority of the State Council and other regulatory bodies.</p> <p>.....</p>

APPENDIX VI PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

<p>Article 31 When the Company repurchases its shares outside stock exchange in form of agreement, it shall obtain prior approval of the general meeting according to the provisions of the Articles of Association. With the prior approval of the general meeting in a same way, the Company may cancel or modify a contract concluded in the above way, or give up any right in the contract.</p> <p>The share repurchase contract in the preceding paragraph includes without limitation an agreement in which the Company agrees to assume the obligations of repurchased shares and acquire the rights of the repurchased shares.</p> <p>The Company may not transfer the share repurchase contract or any rights prescribed in the contract.</p>	Deletion
<p>Article 32 The Company has the right to repurchase redeemable shares, but the price may not exceed a specific maximum price unless it repurchases them from the market or by means of bidding; if bidding is adopted, the bidding must be issued to all shareholders without discrimination.</p>	Deletion

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<p>Article 33 If the Company acquires its corporate shares as described in Article 29 (I), (II) of the Articles of Association, it shall be subject to the resolution of the general meeting of shareholders. If the Company acquired its cooperate shares as described in Article 29 (III), (V) and (VI) of the Articles of Association, it shall be resolved by more than two-thirds of the directors present at a board meeting.</p> <p>After the Company acquires its corporate shares in accordance with the provisions of Article 29 of the Articles of Association, the shares acquired under the circumstances of paragraph (I) shall be cancelled within ten days from the date of acquisition; the shares acquired under circumstances of paragraphs (II) and (IV) shall be transferred or cancelled within six months. After the Company acquires its corporate shares as described in Article 29 (III), (V) and (VI), the total number of corporate shares held by the Company shall not exceed 10% of the total issued shares of the Company. All corporate shares so acquired shall be transferred or cancelled within three years after the date of announcement on the repurchase and changes in share capital.</p> <p>Where the Company cancels corporate shares for reason of repurchase of the shares, it shall apply for registration of change of registered capital to the original company registration authority according to law. The total par value of the cancelled shares shall be verified and reduced from the registered capital of the Company.</p>	<p>Article 29<u>Article 33</u> When formulating a repurchase plan with clear and detailed arrangements for the repurchase process according to the applicable laws and regulations and the relevant provisions of CSRC and the stock exchange where the stocks of the Company are listed, the Board shall comprehensively consider the financial situation, production and operation conditions, the stock price of the Company and the interests of its shareholders and other factors.</p> <p>If the Company acquires its corporate shares as described in Article 27<u>Article 29</u> (I), (II) of the Articles of Association, it shall be subject to the resolution of the general meeting of shareholders. If the Company acquired its cooperate shares as described in Article 27<u>Article 29</u> (III), (V) and (VI) of the Articles of Association, it can<u>shall</u> be resolved and approved by more than two-thirds of the directors present at a board meeting.</p> <p>After the Company acquires its corporate shares in accordance with the provisions of Article 27<u>Article 29</u> of the Articles of Association, the shares acquired under the circumstances of paragraph (I) shall be cancelled within ten days from the date of acquisition; the shares acquired under circumstances of paragraphs (II) and (IV) shall be transferred or cancelled within six months. After the Company acquires its corporate shares as described in Article 27<u>Article 29</u> (III), (V) and (VI), the total number of corporate shares held by the Company shall not exceed 10% of the total issued shares of the Company. All corporate shares so acquired shall be transferred or cancelled within three years after the date of announcement on the repurchase and changes in share capital.</p> <p>Where the Company cancels corporate shares for reason of repurchase of the shares, it shall apply for registration of change of registered capital to the original company registration authority according to law. The total par value of the cancelled shares shall be verified and reduced from the registered capital of the Company.</p>
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<p>Article 34 Unless the Company has entered a stage of liquidation, the Company shall comply with the following provisions when repurchasing the shares it has issued externally:</p> <p>(I) where the Company repurchases shares at a price of par value, the fund shall be deducted from the book balance of distributable profit of the Company and the proceeds of new shares issued in order to repurchase old shares;</p> <p>(II) where the Company repurchases shares at a price higher than par value, the part equivalent to par value shall be deducted from the book balance of distributable profit of the Company and the proceeds of new shares issued in order to repurchase old shares; the part higher than par value shall be handled according to the following method:</p> <ol style="list-style-type: none"> 1. where the repurchased shares were issued at a price of par value, the part shall be deducted from the balance of distributable profit of the Company; 2. where the repurchased shares were issued at a price higher than par value, the part shall be deducted from the balance of distributable profit of the Company and the proceeds of new shares issued in order to repurchase old shares, but the amount deducted from the proceeds of new shares issued may not exceed the total amount of premium of repurchased old shares obtained at the time of issuance, or exceed the amount in the capital reserve account of the Company at the time of repurchase (including the amount of premium from issuance of new shares); <p>(III) The fund the Company pays for the following purposes shall be disbursed from the distributable profit of the Company:</p> <ol style="list-style-type: none"> 1. to acquire the repurchase right for repurchase of its shares; 2. to modify the share repurchase contract; 3. to cancel its obligation in the repurchase contract. 	<p>Deletion</p>
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<p>(IV) After the total par value of the cancelled shares is reduced from the registered capital of the Company according to relevant provisions, the amount deducted from distributable profit for the par value of repurchased shares shall be included in the capital reserve account of the Company.</p>	
<p>Article 41 The Company or its subsidiaries (including affiliated companies of the Company) shall never provide any financial aid in any form for anyone who purchases or intends to purchase the shares of the Company. The above-mentioned buyers of the Company’s shares include the people who directly or indirectly assume obligations as a result of the purchase of the Company’s shares.</p> <p>The Company or its subsidiaries shall never provide financial aid in any form for the above-mentioned obligors in order to reduce or relieve the obligations of the obligors.</p> <p>The provisions in this article are not applicable to the circumstances described in Article 43 hereof.</p>	<p>Article 36Article 41 The Company or its subsidiaries (including affiliated companies of the Company) shall never provide any financial aid <u>in any form by means including gifts, advance, guarantee, compensation or loan</u> for anyone who purchases or intends to purchase the shares of the Company.—The above-mentioned buyers of the Company’s shares include the people who directly or indirectly assume obligations as a result of the purchase of the Company’s shares.</p> <p>The Company or its subsidiaries shall never provide financial aid in any form for the above-mentioned obligors in order to reduce or relieve the obligations of the obligors.</p> <p>The provisions in this article are not applicable to the circumstances described in <u>Article 38</u>Article 43 hereof.</p>
<p>Article 42 The financial aid stated in the Articles of Association includes without limitation the following forms:</p> <p>.....</p> <p>The assumption of obligations stated in this Chapter includes the obligations assumed by the obligor due to conclusion of a contract, or arrangement (whether the contract or arrangement can be executed compulsorily or not, or whether the obligations are assumed by the obligor alone or together with other people), or change of its financial situation in any other way.</p>	<p>Article 37Article 42 The financial aid stated in the Articles of Association includes without limitation the following forms:</p> <p>.....</p> <p>The assumption of obligations stated in this Chapter includes the obligations assumed by the obligor due to conclusion of a contract, or arrangement (whether the contract or arrangement can be executed compulsorily or not, or whether the obligations are assumed by the obligor alone or together with other people), or change of its financial situation in any other way.</p>

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<p>Article 44 The stocks of the Company adopt a registered form.</p> <p>The stocks of the Company shall state the following information:</p> <p>(I) name of the Company;</p> <p>(II) date of incorporation of the Company;</p> <p>(III) class of shares, par value and number of shares represented;</p> <p>(IV) reference number of stocks;</p> <p>(V) other information that shall be stated in accordance with the Company Law, the Special Provisions and other laws and regulations as well as the requirements of the stock exchange where the stocks of the Company are listed.</p> <p>.....</p>	<p>Article 39Article Article 44 The stockshare certificates of the Company adopt a registered form, and it shall be in paper form or in other forms prescribed by the securities regulatory authority of the State Council. The share certificates of the Company shall state the information required by the Company Law and the stock exchange where the stocks of the Company are listed.</p> <p>The stocks of the Company shall state the following information:</p> <p>(I) name of the Company;</p> <p>(II) date of incorporation of the Company;</p> <p>(III) class of shares, par value and number of shares represented;</p> <p>(IV) reference number of stocks;</p> <p>(V) other information that shall be stated in accordance with the Company Law, the Special Provisions and other laws and regulations as well as the requirements of the stock exchange where the stocks of the Company are listed.</p> <p>.....</p>
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APPENDIX VI PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

<p>Article 45 During listing of H-shares on HKEX, the Company must ensure all listing documents of all of its securities listing on HKEX include the following statement, and must instruct and prompt its stock transfer registry to refuse registration of the subscription, purchase or transfer of its shares in the name of any particular individual holders unless and till this particular individual holder has submitted an endorsement form of these shares, which must include the following statement, to the stock transfer registry:</p> <p>(I) the share buyers and the Company as well as every shareholder thereof agree, and the Company and every shareholder thereof agree to obey and comply with the provisions of the Company Law, the Special Provisions and other relevant laws and regulations, and the Articles of Association.</p> <p>(II) the share buyers and the Company as well as every shareholder, director, supervisor, manager (president and CEO) and senior management officer of the Company agree, and the companies acting on behalf of the Company as well as every director, supervisor, manager (president and CEO) and senior management officer of the Company and every shareholder agree that the disputes or claims for rights arising from the rights or obligations specified in the Articles of Association or the Company Law or other relevant laws and administrative regulations or in connection with the affairs of the Company must be submitted to arbitration for settlement in accordance with the provisions of the Articles of Association, and any submitted arbitration must be considered to authorize the arbitral tribunal to hold public hearing and announce its arbitral award. The arbitration is final.</p> <p>(III) the share buyers and the Company as well as each of its shareholders agree that the shares of the Company may be freely transferred by the holders.</p> <p>(IV) the share buyers authorize the Company to sign contracts with every director and senior management officer on behalf of the share buyers. The directors and senior management promise they will obey and perform their duties for shareholders as specified in the Articles of Association.</p>	<p>Deletion</p>
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<p>Article 47 The Company shall prepare a register of shareholders, which registers the following information:</p> <p>.....</p> <p>Register of shareholders is sufficient evidence proving a shareholder holds shares of the Company except that contrary evidence is available.</p> <p>.....</p> <p>When two or more people are registered as joint shareholders of any shares, they shall be deemed as the joint holders of the shares, under the restriction of the following clause:</p> <p>(I) the Company shall not register more than four people as joint shareholders of any shares;</p> <p>(II) all the joint shareholders of any shares must jointly and separately assume the responsibility for paying the total amount payable of the shares;</p> <p>(III) if one of the joint shareholders is deceased or cancelled, only other remaining joint shareholders shall be deemed by the Company as the people entitled to ownership over the shares, but the Board shall have the right to require provision of death or cancellation certificates of related shareholders with regard to the modification of the register of shareholders if it considers appropriate;</p>	<p>Article 41Article 47 The Company shall prepare a register of shareholders based on vouchers provided by securities registries, which registers the following information according to the relevant rules of the place where the stocks of the Company are listed (if applicable):</p> <p>.....</p> <p>Register of shareholders is sufficient evidence proving a shareholder holds shares of the Company except that contrary evidence is available.</p> <p>.....</p> <p>When two or more people are registered as joint shareholders of any shares, they shall be deemed as the joint holders of the shares, under the restriction of the following clause:</p> <p>(I) the Company shall not register more than four people as joint shareholders of any shares;</p> <p>(II) all the joint shareholders of any shares must jointly and separately assume the responsibility for paying the total amount payable of the shares;</p> <p>(III) if one of the joint shareholders is deceased or cancelled, only other remaining joint shareholders shall be deemed by the Company as the people entitled to ownership over the shares, but the Board shall have the right to require provision of death or cancellation certificates of related shareholders with regard to the modification of the register of shareholders if it considers appropriate;</p>
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<p>(IV) among the joint shareholders of any shares, only the one who ranks first in the register of shareholders has the right to collect the stocks of relevant shares from the Company and receive notices or other documents of the Company. The delivery of any notice to the above-mentioned person shall be deemed that the notice has been delivered to all joint shareholders of the shares. Every joint shareholder may sign a proxy form, but if there is more than one joint shareholder present either in person or by an appointed representative, then the vote given by a joint shareholder with higher priority, either in person or by a representative, must be accepted as the sole vote representing other joint shareholders. In this regard, the priorities of the shareholders must be subject to the ranking of joint shareholders of the relevant shares in the register of shareholders of the Company; and</p> <p>(V) if any of the joint shareholders sends a receipt to the Company for any dividend, bonus or capital return paid to the joint shareholders, it shall be deemed as a valid receipt sent by the joint shareholders to the Company.</p>	<p>(IV) among the joint shareholders of any shares, only the one who ranks first in the register of shareholders has the right to collect the stocks of relevant shares from the Company and receive notices or other documents of the Company. The delivery of any notice to the above-mentioned person shall be deemed that the notice has been delivered to all joint shareholders of the shares. Every joint shareholder may sign a proxy form, but if there is more than one joint shareholder present either in person or by an appointed representative, then the vote given by a joint shareholder with higher priority, either in person or by a representative, must be accepted as the sole vote representing other joint shareholders. In this regard, the priorities of the shareholders must be subject to the ranking of joint shareholders of the relevant shares in the register of shareholders of the Company; and</p> <p>(V) if any of the joint shareholders sends a receipt to the Company for any dividend, bonus or capital return paid to the joint shareholders, it shall be deemed as a valid receipt sent by the joint shareholders to the Company.</p>
<p>Article 48 The Company may, based on the understanding or agreement reached between the securities regulatory authority of the State Council and overseas securities regulatory authority, store the register of shareholders of overseas listed foreign shares abroad, and authorize an overseas agency to manage it. The original of the register of shareholders of overseas listed foreign shares listed in Hong Kong shall be kept in Hong Kong for the inspection of shareholders. The register of shareholders may be closed according to the relevant provisions under the Hong Kong Companies Ordinance.</p> <p>The Company shall keep the duplicate of the register of shareholders of overseas listed foreign shares in the domicile of the Company; the authorized overseas agency shall guarantee the consistence between the original and duplicate of the register of shareholders of overseas listed foreign shares all the time.</p> <p>In case of inconsistency, the original shall prevail.</p>	<p>Article 42Article 48 The Company may, based on the understanding or agreement reached between the securities regulatory authority of the State Council and overseas securities regulatory authority, store the register of shareholders of overseas listed foreign shares of the Company abroad, and authorize an overseas agency to manage it. The original of the register of shareholders of overseas listed foreign H-shares listed in Hong Kong shall be kept in Hong Kong for the inspection of shareholders. The register of shareholders may be closed according to the relevant provisions under the Hong Kong Companies Ordinance.</p> <p>The Company shall keep the duplicate of the register of shareholders of overseas listed foreign shares in the domicile of the Company; the authorized overseas agency shall guarantee the consistence between the original and duplicate of the register of shareholders of overseas listed foreign shares all the time.</p> <p>In case of inconsistency, the original shall prevail.</p>

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<p>Article 49 The Company shall keep a complete register of shareholders. The register of shareholders shall include the following parts:</p> <p>(I) the register of shareholders kept in the domicile of the Company except those specified in items (II) and (III) of this article;</p> <p>(II) the register of shareholders of overseas listed foreign shares of the Company kept in the place where the stock exchange for overseas listing is located;</p> <p>(III) the register of shareholders that the Board decides to store in other places for the need of stock listing of the Company.</p>	<p>Deletion</p>
<p>Article 50 The parts of the register of shareholders shall not overlap with each other. If the shares registered in a part of the register of shareholders are transferred, they shall not be registered in other parts of the register of shareholders in the registration period of the shares.</p> <p>The modification or correction of each part of the register of shareholders shall be conducted in accordance with the law of the place where the part of the register of shareholders is kept.</p>	<p>Deletion</p>
<p>Article 52 Where anyone objects to the register of shareholders and requires registering his/her/its name in the register of shareholders, or removing his/her/its name from the register of shareholders, he/she/it may apply for correcting the register of shareholders to the court with jurisdiction.</p>	<p>Deletion</p>

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<p>Article 53 Where any shareholder registered in the register of shareholders or anyone requiring registering his/her/its name in the register of shareholders loses stocks, he/she/it may apply for reissuance of new stocks regarding the shares (i.e., “relevant shares”) to the Company.</p> <p>Where a shareholder of domestic shares loses stocks and applies for reissuance, the matter shall be handled according to the provisions of Article 143 of the Company Law.</p> <p>Where a shareholder of overseas listed foreign shares loses stocks and applies for reissuance, the matter may be handled in accordance with the laws and regulations of the place where the original of the register of shareholders of overseas listed foreign shares is stored, the rules of the stock exchange, or other relevant regulations.</p> <p>Where a shareholder of H-shares loses stocks and applies for reissuance, the reissuance of stocks shall meet the following requirements:</p> <p>(I) the applicant shall file an application in a standard format designated by the Company and attached with a notarial certificate or statutory declaration document. The content of the notarial certificate or statutory declaration document shall include reason for the application of the applicant, situation and evidence of stock loss, and declaration that nobody else may require being registered as a shareholder of the relevant shares.</p> <p>(II) before the Company decides to reissue new stocks, it does not receive a declaration on requiring being registered as a shareholder of the shares from anyone except the applicant.</p> <p>(III) before the Company decides to reissue new stocks to the applicant, it shall publish an announcement on intention for reissuance of new stocks on the newspapers and periodicals designated by the Board; the period of announcement is ninety days, and the announcement shall be republished at least once every thirty days.</p>	<p>Article 44Article 53 Where any shareholder registered in the register of shareholders or anyone requiring registering his/her/its name in the register of shareholders loses stocks, he/she/it may apply for reissuance of new stocks regarding the shares (i.e., “relevant shares”) to the Company.</p> <p>Where a shareholder of domestic shares loses stocks and applies for reissuance, the matter shall be handled according to the provisions of Article 143 of the Company Law.</p> <p>Where a shareholder of overseas listed foreign shares loses stocks and applies for reissuance, the matter may be handled in accordance with the laws and regulations of the place where the original of the register of shareholders of overseas listed foreign shares is stored, the rules of the stock exchange, or other relevant regulations.</p> <p>Where a shareholder of H-shares loses stocks and applies for reissuance, the reissuance of stocks shall meet the following requirements:</p> <p>(I) the applicant shall file an application in a standard format designated by the Company and attached with a notarial certificate or statutory declaration document. The content of the notarial certificate or statutory declaration document shall include reason for the application of the applicant, situation and evidence of stock loss, and declaration that nobody else may require being registered as a shareholder of the relevant shares.</p> <p>(II) before the Company decides to reissue new stocks, it does not receive a declaration on requiring being registered as a shareholder of the shares from anyone except the applicant.</p> <p>(III) before the Company decides to reissue new stocks to the applicant, it shall publish an announcement on intention for reissuance of new stocks on the newspapers and periodicals designated by the Board; the period of announcement is ninety days, and the announcement shall be republished at least once every thirty days.</p>
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<p>(IV) before the Company publishes an announcement on intention for reissuance of new stocks, it shall submit a duplicate of the announcement to be published to the stock exchange where it is listed. After receiving the reply of the stock exchange and confirming that the announcement has been displayed in the stock exchange, the Company may publish the announcement. The period of display of the announcement in the stock exchange is ninety days.</p> <p>If the application for stock reissuance is not agreed by the registered shareholders of relevant shares, the Company shall mail the photocopies of the announcement to be published to the shareholders.</p> <p>(V) after the ninety-day period of announcement and display specified in (III) and (IV) of this article expires, if the Company does not receive objection to stock reissuance from anybody, it may reissue new stocks according to the application of the applicant.</p> <p>(VI) when the Company reissues new stocks according to the provisions of this article, it shall immediately cancel the original stocks and register the cancellation and reissuance in the register of shareholders.</p> <p>(VII) the applicant shall bear all the expenses of the Company on cancellation of original stocks and reissuance of new stocks. Before the applicant provides reasonable guarantee, the Company shall have the right to refuse to take any action.</p>	<p>(IV) before the Company publishes an announcement on intention for reissuance of new stocks, it shall submit a duplicate of the announcement to be published to the stock exchange where it is listed. After receiving the reply of the stock exchange and confirming that the announcement has been displayed in the stock exchange, the Company may publish the announcement. The period of display of the announcement in the stock exchange is ninety days.</p> <p>If the application for stock reissuance is not agreed by the registered shareholders of relevant shares, the Company shall mail the photocopies of the announcement to be published to the shareholders.</p> <p>(V) after the ninety-day period of announcement and display specified in (III) and (IV) of this article expires, if the Company does not receive objection to stock reissuance from anybody, it may reissue new stocks according to the application of the applicant.</p> <p>(VI) when the Company reissues new stocks according to the provisions of this article, it shall immediately cancel the original stocks and register the cancellation and reissuance in the register of shareholders.</p> <p>(VII) the applicant shall bear all the expenses of the Company on cancellation of original stocks and reissuance of new stocks. Before the applicant provides reasonable guarantee, the Company shall have the right to refuse to take any action.</p>
<p>Article 54 After the Company reissues stocks according to the provisions of the Articles of Association, the names of bona fide purchasers obtaining the aforesaid new stocks or the shareholders subsequently registered as owners of the shares (if they are bona fide purchasers) shall not be deleted from the register of shareholders.</p>	<p>Deletion</p>
<p>Article 55 The Company has no obligation to indemnify any party who suffer loss from cancellation of original stocks or reissuance of new stocks, unless the party can prove the Company has fraudulent conduct.</p>	<p>Deletion</p>

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<p>Article 58 The shareholders of ordinary shares of the Company shall have the following rights:</p> <p>.....</p> <p>(V) to acquire relevant information according to the provisions of the Articles of Association, including:</p> <ol style="list-style-type: none"> 1. the Articles of Association obtained after paying the cost; 2. after paying reasonable fees, have the right to consult and reproduce: <ol style="list-style-type: none"> (1) the whole and all parts of register of shareholders; (2) the personal data of the directors, supervisors, manager (president and CEO) and other senior management officers of the Company, including: (a) present and past name and alias; (b) main address (domicile); (c) nationality; (d) full-time and all other part-time occupations and positions; (e) identity document and number. (3) share capital situation of the Company; (4) report on the total par value, quantity, the highest price and the lowest price of every class of shares the Company has repurchased since the previous fiscal year, as well as all the expenses that the Company has paid for them (classified as domestic shares and foreign shares); (5) stubs of corporate bonds; (6) minutes of general meetings (for reference of shareholders only), special resolutions of the Company, resolutions of Board meetings and resolutions of Supervisory Committee meetings; (7) financial and accounting reports; 	<p>Article 47Article 58 The shareholders of ordinary shares of the Company shall have the following rights:</p> <p>.....</p> <p>(V) to inspect the Articles of Association, register of shareholders, stubs of corporate bonds, minutes of general meetings, resolutions of Board meetings, resolutions of Supervisory Committee meetings and financial and accounting reports; to acquire relevant information according to the provisions of the Articles of Association, including:</p> <ol style="list-style-type: none"> 1. the Articles of Association obtained after paying the cost; 2. after paying reasonable fees, have the right to consult and reproduce: <ol style="list-style-type: none"> (1) the whole and all parts of register of shareholders; (2) the personal data of the directors, supervisors, manager (president and CEO) and other senior management officers of the Company, including: (a) present and past name and alias; (b) main address (domicile); (c) nationality; (d) full-time and all other part-time occupations and positions; (e) identity document and number. (3) share capital situation of the Company; (4) report on the total par value, quantity, the highest price and the lowest price of every class of shares the Company has repurchased since the previous fiscal year, as well as all the expenses that the Company has paid for them (classified as domestic shares and foreign shares); (5) stubs of corporate bonds; (6) minutes of general meetings (for reference of shareholders only), special resolutions of the Company, resolutions of Board meetings and resolutions of Supervisory Committee meetings; (7) financial and accounting reports;
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<p>(8) duplicate of annual report for the recent year that has been submitted to the company registration authority and other competent authorities.</p> <p>The Company must prepare the documents in above items (1), (3), (4), (6) and (8) and any other applicable documents at the Hong Kong address of the Company according to the requirements of Hong Kong Listing Rules, for free reference of the public and shareholders (except minutes of general meetings available for shareholders only), and after charging reasonable fees, allow shareholders to reproduce the documents.</p> <p>.....</p>	<p>(8) duplicate of annual report for the recent year that has been submitted to the company registration authority and other competent authorities.</p> <p>The Company must prepare the documents in above items (1), (3), (4), (6) and (8) and any other applicable documents at the Hong Kong address of the Company according to the requirements of Hong Kong Listing Rules, for free reference of the public and shareholders (except minutes of general meetings available for shareholders only), and after charging reasonable fees, allow shareholders to reproduce the documents.</p> <p>.....</p>
<p>Article 63 The shareholders of ordinary shares of the Company shall have the following obligations:</p> <p>.....</p> <p>Except for the conditions the share subscribers agree to at the time of subscription, shareholders do not assume any subsequently added responsibility for share capital.</p> <p>.....</p>	<p>Article 63 Article 52 The shareholders of ordinary shares of the Company shall have the following obligations:</p> <p>.....</p> <p>Except for the conditions the share subscribers agree to at the time of subscription, shareholders do not assume any subsequently added responsibility for share capital.</p> <p>.....</p>

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<p>Article 67 The general meeting shall be the organ of authority of the Company and shall exercise the following functions and powers according to the laws:</p> <p>.....</p> <p>(VIII) to resolve on issuance of corporate bonds and other securities and listing;</p> <p>.....</p> <p>(XI) to resolve on appointment, dismissal or no further appointment of the Company’s accounting firm;</p> <p>.....</p> <p>(XIII) to consider and approve material transactions specified in Article 68;</p> <p>(XIV) to consider and approve financial assistance stipulated in Article 69 and guarantees stipulated in Article 70;</p> <p>.....</p> <p>(XIX) to resolve on the acquisition of corporate shares as described in Article 29 (I) and (II) of the Articles of Association;</p> <p>.....</p>	<p>Article 67 Article 56 The general meeting shall be the organ of authority of the Company and shall exercise the following functions and powers according to the laws:</p> <p>.....</p> <p>(VIII) to resolve on issuance of corporate bonds and other securities and listing;</p> <p>.....</p> <p>(XI) to resolve on appointment, <u>or dismissal or no further appointment</u> of the Company’s accounting firm;</p> <p>.....</p> <p>(XIII) to consider and approve material transactions specified in Article 68 <u>Article 57 of the Articles of Association</u>;</p> <p>(XIV) to consider and approve financial assistance stipulated in Article 69 <u>Article 58 of the Articles of Association</u> and <u>guarantees stipulated in Article 59 of the Articles of Association</u>;</p> <p>.....</p> <p>(XIX) to resolve on the acquisition of corporate shares as described in Article 29 <u>Article 27</u> (I) and (II) of the Articles of Association;</p> <p>.....</p>
<p>Article 68 The Company’s transactions (excluding financial assistance, the provision of guarantee, receipt of cash donation by the Company, and any transaction that waives the debt of the Company or other transactions without involving any payment of consideration or attachment of any obligations) meeting one of the following standards shall be submitted to the general meeting for consideration upon consideration and approval by the Board:</p> <p>.....</p>	<p>Article 68 Article 57 The Company’s transactions (excluding financial assistance, the provision of guarantee, receipt of cash donation by the Company, and any transaction that waives the debt of the Company or other transactions without involving any payment of consideration or attachment of any obligations, <u>and the “Daily Transactions” stipulated in the Listing Rules of SSE</u>) meeting one of the following standards shall be submitted to the general meeting for consideration upon consideration and approval by the Board:</p> <p>.....</p>

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<p>Article 80 If the Supervisory Committee or shareholders itself/themselves convene a general meeting, the expenses necessary for the meeting shall be borne by the Company and set off against sums owned by the Company to the defaulting directors.</p>	<p>Article 80 Article 69 If the Supervisory Committee or shareholders itself/themselves convene a general meeting, the expenses necessary for the meeting shall be borne by the Company and set off against sums owned by the Company to the defaulting directors.</p>
<p>Article 84 No matters not stated in the notice shall be resolved at a general meeting.</p>	<p>Deletion</p>
<p>Article 85 The notice of a general meeting shall meet the following requirements:</p> <p>(I) the notice is in a written form;</p> <p>(II) it specifies the time, place and period of the meeting;</p> <p>(III) it describes the matters and proposals submitted to the meeting for consideration;</p> <p>(IV) it provides shareholders with the information and explanations that are needed for the shareholders to make wise decisions on the matters to be discussed; this principle includes without limitation: when the Company proposes merger, share repurchase, reorganization of share capital or other restructuring, the notice shall provide the concrete conditions and contracts (if any) for the proposed transactions, and carefully explain the causes and effects;</p> <p>(V) if any director, supervisor, manager (president and CEO) or other senior management officer has important interest relation with a matter to be discussed, the nature and degree of the interest relation shall be disclosed; if the impact of the matter to be discussed on the said director, supervisor, manager (president and CEO) or other senior management officer as a shareholder is different from the impact on other shareholders of a same class, their difference shall be explained;</p> <p>(VI) the notice shall state the full text of any special resolution to be proposed and approved at the meeting;</p> <p>(VII) the notice shall state in explicit words: all shareholders are entitled to attend the general meeting and appoint proxies in writing to attend and vote at such meeting and that such proxies need not be shareholders of the Company;</p>	<p>Article 85 Article 73 The notice of a general meeting shall meet the following requirements: include the following information:</p> <p>(I) the notice is in a written form;</p> <p>(II) it specifies the time, place and period of the meeting;</p> <p>(III) it describes the matters and proposals submitted to the meeting for consideration;</p> <p>(IV) it provides shareholders with the information and explanations that are needed for the shareholders to make wise decisions on the matters to be discussed; this principle includes without limitation: when the Company proposes merger, share repurchase, reorganization of share capital or other restructuring, the notice shall provide the concrete conditions and contracts (if any) for the proposed transactions, and carefully explain the causes and effects;</p> <p>(V) if any director, supervisor, manager (president and CEO) or other senior management officer has important interest relation with a matter to be discussed, the nature and degree of the interest relation shall be disclosed; if the impact of the matter to be discussed on the said director, supervisor, manager (president and CEO) or other senior management officer as a shareholder is different from the impact on other shareholders of a same class, their difference shall be explained;</p> <p>(VI) the notice shall state the full text of any special resolution to be proposed and approved at the meeting;</p> <p>(VII) the notice shall state in explicit words: all shareholders are entitled to attend the general meeting and appoint proxies in writing to attend and vote at such meeting and that such proxies need not be shareholders of the Company;</p>

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<p>(VIII) the notice shall state the delivery time and place of the power of attorney for voting at the meeting;</p> <p>(IX) the notice shall designate the equity registration date of shareholders entitled to attend the general meeting; the interval between equity registration date and meeting date shall be not more than seven workdays. Equity registration date once determined may not be changed;</p> <p>(X) the notice shall indicate name and telephone number of the permanent contact person of the meeting;</p> <p>(XI) the voting time and voting procedure over network or of other means.</p> <p>Notices or supplementary notices of general meetings shall adequately and completely disclose the specific contents of all proposals as well as all the data or explanations that help the shareholders to make reasonable judgment on the matters to be discussed. Where the opinions of an independent director are required on the matters to be discussed, such opinions and reasons thereof shall be disclosed when the notices or supplementary notices of general meetings are served.</p>	<p>(VIII) the notice shall state the delivery time and place of the power of attorney for voting at the meeting;</p> <p>(IV)(IX) the notice shall designate the equity registration date of shareholders entitled to attend the general meeting; the interval between equity registration date and meeting date shall be not more than seven workdays. Equity registration date once determined may not be changed;</p> <p>(V)(X) the notice shall indicate name and telephone number of the permanent contact person of the meeting;</p> <p>(VI)(XI) the voting time and voting procedure over network or of other means.</p> <p>Notices or supplementary notices of general meetings shall adequately and completely disclose the specific contents of all proposals as well as all the data or explanations that help the shareholders to make reasonable judgment on the matters to be discussed. Where the opinions of an independent director are required on the matters to be discussed, such opinions and reasons thereof shall be disclosed when the notices or supplementary notices of general meetings are served.</p>
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<p>Article 87 Unless otherwise specified in the laws, administrative regulations, the listing rules of the stock exchange in the place where the stocks of the Company are listed or the Articles of Association, the notice of a general meeting shall be sent out to shareholders (whether they have voting rights at the general meeting or not) by a specific person or by post-paid mail. The addresses of the recipients are subject to the addresses registered in the register of shareholders. For shareholders of domestic shares, the notice of a general meeting may also be sent out in form of announcement.</p> <p>The announcement stated in the preceding paragraph shall be published on one or multiple periodicals designated by the securities regulatory authority of the State Council, the website of Shanghai Stock Exchange and any media satisfying the requirements prescribed by the securities regulatory authority of the State Council. Once the announcement is published, it shall be deemed that all the shareholders of domestic shares have received the notice of the general meeting.</p> <p>Under the precondition of conforming to relevant provisions of laws and regulations, meeting the requirements of the listing rules of the stock exchange in the place where the stocks of the Company are listed and performing relevant procedures, the Company may also send the notice of a general meeting to H-share shareholders by means of publishing the notice on the website of the Company and the websites designated by HKEX or in other ways permitted by Hong Kong Listing Rules and the Articles of Association, instead of sending the notice to H-share shareholders by a specific person or by post-paid mail.</p>	Deletion
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<p>Article 90 All common shareholders or their proxies in the register of shareholders on the equity registration date shall be entitled to attend the general meeting and exercise their voting rights according to relevant laws, administrative regulations, departmental rules, the listing rules of the stock exchange in the place where the stocks of the Company are listed and the Articles of Association.</p> <p>The shareholders that have the right to attend general meetings and exercise voting rights may attend and vote at general meetings either in person or by one or multiple proxies (the proxies may be not shareholders). The proxy of the shareholder may exercise the following rights according to the authorization of the shareholder:</p> <p>(I) the right of the shareholder to speak at the general meeting;</p> <p>(II) to require alone or together with others voting by ballot;</p> <p>(III) to exercise the voting right, but if more than one shareholder proxy is appointed, the shareholder proxies may exercise voting right only in form of ballot.</p> <p>.....</p>	<p>Article 77Article 90 All common shareholders or their proxies in the register of shareholders on the equity registration date shall be entitled to attend the general meeting and exercise their voting rights according to relevant laws, administrative regulations, departmental rules, the listing rules of the stock exchange in the place where the stocks of the Company are listed and the Articles of Association.</p> <p>The shareholders that have the right to attend general meetings and exercise voting rights may attend and vote at general meetings either in person or by one or multiple proxies (the proxies may be not shareholders). The proxy of the shareholder may exercise the following rights according to the authorization of the shareholder:</p> <p>(I) the right of the shareholder to speak at the general meeting;</p> <p>(II) to require alone or together with others voting by ballot;</p> <p>(III) to exercise the voting right, but if more than one shareholder proxy is appointed, the shareholder proxies may exercise voting right only in form of ballot.</p> <p>.....</p>
<p>Article 91 An individual shareholder attending a general meeting in person shall present his/her identity card or other valid identity certificates or share account card; a proxy attending a general meeting on behalf of an individual shareholder shall present his/her identity card and power of attorney of the shareholder.</p> <p>.....</p>	<p>Article 78Article 91 An individual shareholder attending a general meeting in person shall present his/her identity card or other valid identity certificates or share account card; a proxy attending a general meeting on behalf of an individual shareholder shall present his/her identity card and power of attorney of the shareholder.</p> <p>.....</p>

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<p>Article 92 A shareholder shall authorize a proxy in a written form, with the signature of the principal or the proxy authorized by it in a written form. If the principal is a legal person, the legal person seal or the signature of its director or officially authorized proxy shall be affixed.</p> <p>The power of attorney issued by a shareholder to appoint a proxy to attend a general meeting shall specify:</p> <p>.....</p>	<p>Article 79Article 92 A shareholder shall authorize a proxy in a written form, with the signature of the principal or the proxy authorized by it in a written form. If the principal is a legal person, the legal person seal or the signature of its director or officially authorized proxy shall be affixed.</p> <p>The power of attorney issued by a shareholder to appoint a proxy to attend a general meeting shall specify:</p> <p>.....</p>
<p>Article 93 Any format of power of attorney sent by the Board of the Company to shareholders for appointing shareholder proxies shall enable the shareholders to freely select instructing the shareholder proxies to cast affirmative or negative votes, and give instructions on the matters to be voted at every topic of the meeting. A power of attorney shall state clearly that the proxy shall be entitled to vote or not at his discretion in the absence of specific instructions from the shareholder.</p>	<p>Article 80Article 93 Any format of power of attorney sent by the Board of the Company to shareholders for appointing shareholder proxies shall enable the shareholders to freely select instructing the shareholder proxies to cast affirmative or negative votes, and give instructions on the matters to be voted at every topic of the meeting. A power of attorney shall state clearly that the proxy shall be entitled to vote or not at his discretion in the absence of specific instructions from the shareholder.</p>
<p>Article 106 Shareholders may consult the photocopies of minutes of meetings for free in the office hours of the Company. If any shareholder asks for the photocopy of relevant meeting minutes to the Company, the Company shall send the photocopy within seven days after receipt of reasonable fee.</p>	<p>Deletion</p>
<p>Article 109 The following matters shall be approved by ordinary resolutions at a general meeting:</p> <p>(I) work reports of the Board and the Supervisory Committee;</p> <p>(II) the Company’s profit distribution plan (excluding the circumstances stated in Article 247 (IV) of the Articles of Association) and loss recovery plan;</p> <p>.....</p>	<p>Article 95Article 109 The following matters shall be approved by ordinary resolutions at a general meeting:</p> <p>(I) work reports of the Board and the Supervisory Committee;</p> <p>(II) the Company’s profit distribution plan (excluding the circumstances stated in Article 247 (IV) of the Articles of Association) and loss recovery plan;</p> <p>.....</p>

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<p>Article 110 The following matters shall be approved by special resolutions at a general meeting:</p> <p>(I) increase or decrease of the registered capital of the Company and issuance of any class of stocks, stock warrants and other similar securities;</p> <p>(II) issuance of corporate bonds;</p> <p>.....</p> <p>(IX) the profit distribution plan in accordance with Article 247 (IV) of the Articles of Association;</p> <p>.....</p>	<p>Article 110 Article 96 The following matters shall be approved by special resolutions at a general meeting:</p> <p>(I) increase or decrease of the registered capital of the Company and issuance of any class of stocks, stock warrants and other similar securities;</p> <p>(II) issuance of corporate bonds;</p> <p>.....</p> <p>(VIII)(IX) adjust the profit distribution policy of the Company plan in accordance with Article 247 (IV) of the Articles of Association;</p> <p>.....</p>
<p>Article 111</p> <p>.....</p> <p>Votes for medium and small investors shall be separately counted when any material matter affecting their interests is considered at the general meeting. The separate counting results shall be disclosed timely and publicly in accordance with relevant laws, regulations and the listing rules of the stock exchange in the place where the stocks of the Company are listed.</p> <p>Any material matter affecting the interests of medium and small investors mentioned in the preceding paragraph refers to any matter on which the independent directors shall provide independent opinions, and the aforesaid medium and small investors are shareholders other than the Company’s directors, supervisors, senior management officers and shareholder(s) severally or jointly holding more than 5% (inclusive) shares of the Company.</p> <p>.....</p>	<p>Article 111 Article 97</p> <p>.....</p> <p>Votes for medium and small investors shall be separately counted when any material matter affecting their interests is considered at the general meeting. The separate counting results shall be disclosed timely and publicly in accordance with relevant laws, regulations and the listing rules of the stock exchange in the place where the stocks of the Company are listed.</p> <p>Any material matter affecting the interests of medium and small investors mentioned in the preceding paragraph refers to any matter on which the independent directors shall provide independent opinions, and The aforesaid medium and small investors are shareholders other than the Company’s directors, supervisors, senior management officers and shareholder(s) severally or jointly holding more than 5% (inclusive) shares of the Company.</p> <p>.....</p>

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<p>Article 114</p> <p>.....</p> <p>Cumulative voting system shall be adopted if a single shareholder and its parties in concert are interested in 30% or above of the shares of the Company.</p>	<p>Article 100Article 114</p> <p>.....</p> <p>Cumulative voting system shall be adopted if a single shareholder and its parties in concert are interested in 30% or above of the shares of the Company, <u>or when more than two independent directors are to be elected at a general meeting.</u></p>
<p>Article 118 Unless the listing rules of the stock exchange and/or relevant laws and regulations in the place the shares of the Company are listed have different requirements or unless the following people request to vote by ballot before or after voting by show of hands, the general meeting shall vote by show of hands:</p> <p>(I) presider of the meeting;</p> <p>(II) at least two shareholders with voting right or their proxies;</p> <p>(III) one or several shareholders (including shareholder proxies) severally or jointly holding above 10% (inclusive) of the voting shares at the meeting.</p> <p>Unless somebody proposes voting by ballot, the presider will announce the proposal approval situation based on the results of voting by show of hands and record the results in the meeting minutes as final evidence, and does not have to prove the number or proportion of affirmative or negative votes on the resolutions passed at the meeting.</p> <p>The request for voting by ballot may be withdrawn by the proposer.</p>	<p>Deletion</p>
<p>Addition</p>	<p>Article 104 <u>The vote at a general meeting shall be conducted by open ballot.</u></p>
<p>Article 121 When the number of negative votes is equal to the number of affirmative votes, the shareholder as the meeting presider has the right to cast one more vote.</p>	<p>Deletion</p>

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<p>Article 123 A general meeting shall not conclude earlier at the venue than over the network or otherwise, and the presider shall announce the voting result of every proposal and announce whether the proposal is passed or not according to the voting result. His decision is final and shall be announced at the meeting and recorded in the meeting minutes.</p> <p>Before the voting result is announced, the relevant parties including the Company, counting officer, monitoring officer, major shareholders and network service provider involved at the venue, over the network or otherwise shall have the confidentiality obligation.</p>	<p>Article 108Article 123 A general meeting shall not conclude earlier at the venue than over the network or otherwise, and the presider shall announce the voting result of every proposal and announce whether the proposal is passed or not according to the voting result.—His decision is final and shall be announced at the meeting and recorded in the meeting minutes.</p> <p>Before the voting result is announced, the relevant parties including the <u>Company</u>companies, counting officer, monitoring officer, major shareholders and network service provider involved at the venue, over the network or otherwise shall have the confidentiality obligation.</p>
<p>Article 125 If the presider has any doubt as to the result of a resolution which has been put to vote at the general meeting, he may have the votes counted. If the presider has not counted the votes, any shareholder who is present in person or by proxy and who objects to the result announced by the presider may, immediately after the declaration of the result, demand that the votes be counted and the presider shall have the votes counted immediately.</p> <p>If votes are counted at the general meeting, the counting result shall be recorded in the meeting minutes.</p>	<p>Article 110Article 125 If the presider has any doubt as to the result of a resolution which has been put to vote at the general meeting, he may have the votes counted. If the presider has not counted the votes, any shareholder who is present in person or by proxy and who objects to the result announced by the presider may, immediately after the declaration of the result, demand that the votes be counted and the presider shall have the votes counted immediately.</p> <p>If votes are counted at the general meeting, the counting result shall be recorded in the meeting minutes.</p>
<p>Article 138</p> <p>.....</p> <p>The Company shall enter into contracts with directors to specify the rights and obligations of the Company and directors, the term of office of directors, the liabilities of directors in case of breach of laws, regulations and the Articles of Association and the compensation from the Company in case of early termination of such contracts by the Company.</p> <p>.....</p>	<p>Article 123Article 138</p> <p>.....</p> <p>The Company shall enter into contracts with directors to specify the rights and obligations of the Company and directors,the term of office of directors, the liabilities of directors in case of breach of laws, regulations and the Articles of Association and the compensation from the Company in case of early termination of such contracts by the Company.</p> <p>.....</p>

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<p>Article 148 Independent directors shall fulfil the obligations of honesty and diligence to the Company and all the shareholders thereof. Independent directors shall, pursuant to the relevant laws and the Articles of Association, independently perform their duties, to fully understand the operation of the Company and the details of the proposals of Board meeting and protect the interests of the Company and shareholders as a whole, in particular the legitimate rights and interests of the minority shareholders. In case of disagreement between shareholders and directors which may have material effects on the operation of the Company, independent directors shall perform their duties and protect the interest of the Company as a whole. Independent directors shall perform duties independently and shall not be influenced by the Company’s major shareholders, de facto controllers or other units or persons having interest relations with the Company. The Company shall ensure that the independent directors may perform their duties in accordance with laws. An independent director may basically serve concurrently as independent director in at most five listed companies and shall ensure that they have sufficient time and energy to effectively fulfil duties as independent directors.</p>	<p>Article 148 Independent directors shall fulfil the obligations of honesty and diligence to the Company and all the shareholders thereof. Independent directors shall, pursuant to the relevant laws and the Articles of Association, independently perform their duties, to fully understand the operation of the Company and the details of the proposals of Board meeting and protect the interests of the Company and shareholders as a whole, in particular the legitimate rights and interests of the minority shareholders. In case of disagreement between shareholders and directors which may have material effects on the operation of the Company, independent directors shall perform their duties and protect the interest of the Company as a whole. Independent directors shall perform duties independently and shall not be influenced by the Company’s major shareholders, de facto controllers or other units or persons having interest relations with the Company. The Company shall ensure that the independent directors may perform their duties in accordance with laws. An independent director may basically serve concurrently as independent director in at most five listed companies and shall ensure that they have sufficient time and energy to effectively fulfil duties as independent directors.</p>
<p>Article 149 An independent director shall meet the following basic conditions:</p> <p>.....</p> <p>(IV) having more than five years’ experience in legal and economic work or other work required for fulfilling duties as independent director;</p> <p>.....</p>	<p>Article 149 An independent director shall meet the following basic conditions:</p> <p>.....</p> <p>(IV) having more than five years’ experience in legal, <u>accounting</u> and economic work or other work <u>required</u> for fulfilling duties as independent director;</p> <p><u>(V) having good personal character, and have no negative records of major dishonesty;</u></p> <p>.....</p>

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<p>Article 151</p> <p>If any independent director resigns so that the number of independent directors or the membership of the Board falls short of the minimum number specified in the Articles of Association or the quorum, such resignation shall not become effective until the vacancy is filled up by a succeeding director (except where the independent director resigns due to loss of independence and is legally dismissed). If the independent directors of the Company at any time do not meet the requirements for the number of people, qualification or independence specified in Hong Kong Listing Rules, the Company must inform HKEX immediately, and explain the details and reason by means of announcement, and shall, within three months after non-compliance with the relevant provisions, appoint enough independent directors to meet the requirements of Hong Kong Listing Rules.</p>	<p>Article 136Article 151</p> <p>If any independent director resigns so that the number of independent directors or the membership of the Board, or the proportion of independent directors on the Board or its special committees falls short of that the minimum number specified in the Articles of Association or the quorum, or there is a lack of accounting professionals among the independent directors, such resignation shall not become effective until the vacancy is filled up by a succeeding director (except where the independent director resigns due to loss of independence and is legally dismissed) and the Company shall complete the by-election in accordance with the provisions of laws and regulations. If the independent directors of the Company at any time do not meet the requirements for the number of people, qualification or independence specified in Hong Kong Listing Rules, the Company must inform HKEX immediately, and explain the details and reason by means of announcement, and shall, within three months after non-compliance with the relevant provisions, appoint enough independent directors to meet the requirements of Hong Kong Listing Rules.</p>
<p>Article 152 An independent director shall work for the Company for at least 15 workdays every year, including attending general meetings, Board meetings and meetings of special committees, examination of the establishment and implementation of systems for production and operation, management and internal control and execution of Board resolutions, discussion with the management on operation and on-site study of material investments, production and construction projects.</p>	<p>Article 137Article 152 An independent director shall work in for the Company for at least 15 days <u>workdays</u> every year, including attending general meetings, Board meetings and meetings of special committees; examination of the establishment and implementation of systems for production and operation, management and internal control and execution of Board resolutions, discussion with, special meetings of independent directors, regularly obtaining information on the operation of listed companies, listening to the management reports, communicating with the heads of internal auditors and intermediaries such as accounting firms undertaking the audit business of listed companies, on-site inspections, and communicating with minority shareholders on operation and on-site study of material investments, production and construction projects.</p>

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<p>Addition</p>	<p>Article 138 An independent director shall perform the following duties:</p> <p>(I) to participate in the decision-making of the Board and provide clear opinions on matters discussed;</p> <p>(II) to supervise the potential material conflicts of interest between the Company and its actual controllers, directors and senior management as stipulated in the Measures for the Administration of Independent Directors of Listed Companies and other laws and regulations, promote the decision-making of the Board to conform to the overall interests of the Company, and protect the legitimate interests of minority shareholders;</p> <p>(III) to provide professional and objective suggestions for the Company’s operation and development, and promote the improvement of the decision-making level of the Board;</p> <p>(IV) to perform other duties stipulated by laws, administrative regulations, departmental rules, regulatory documents, the listing rules of the stock exchange in the place where the stocks of the Company are listed, and the Articles of Association.</p>
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<p>Article 153 An independent director shall have the following special powers in addition to the powers stipulated by the Articles of Association:</p> <p>(I) significant connected transaction (identified according to the standard required by the stock exchange in the place where the stocks of the Company are listed, the same below) shall obtained prior approval by independent directors; before making a judgment, the independent directors may appoint an intermediary qualified for conducting securities and futures businesses to provide independent financial and advisory reports as a basis for their judgment;</p> <p>(II) to propose to appoint or dismiss the accounting firm and to give prior approval for appointment or dismissal of the accounting firm by the Company;</p> <p>(III) to propose to convene an extraordinary general meeting;</p> <p>(IV) to propose to convene a Board meeting;</p> <p>(V) to openly collect voting rights from shareholders before a general meeting is held;</p> <p>(VI) to engage independent external auditor and advisor to conduct audit and provide advices on special issues of the Company if necessary;</p> <p>(VII) to enjoy other rights stipulated by laws, administrative regulations, departmental rules, regulatory documents, the listing rules of the stock exchange in the place where the stocks of the Company are listed and the Articles of Association.</p>	<p>Article 139Article 153 An independent director shall have the following exercise the following special powers in addition to the powers stipulated by the Articles of Association:</p> <p>(I) significant connected transaction (identified according to the standard required by the stock exchange in the place where the stocks of the Company are listed, the same below) shall obtained prior approval by independent directors; before making a judgment, the independent directors may appoint an intermediary qualified for conducting securities and futures businesses to provide independent financial and advisory reports as a basis for their judgment;</p> <p>(II) to propose to appoint or dismiss the accounting firm and to give prior approval for appointment or dismissal of the accounting firm by the Company;</p> <p>(I) to engage an independent intermediary to audit, consult or verify the Company’s special issues;</p> <p>(II) to propose to convene an extraordinary general meeting to Board;</p> <p>(III) to propose to convene a Board meeting;</p> <p>(IV) to openly collect voting rights from shareholders in accordance with the law before a general meeting is held;</p> <p>(V) to express independent opinions engage independent external auditor and advisor to conduct audit and provide advices on special issues that may harm the rights and interests of the Company or minority shareholders if necessary;</p> <p>(VI) to enjoy other rights stipulated by laws, administrative regulations, departmental rules, regulatory documents, the listing rules of the stock exchange in the place where the stocks of the Company are listed and the Articles of Association.</p>
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<p>Independent directors shall seek the consent of more than half of all the independent directors before exercising the powers under (I)–(V) above. Before exercising the powers under (VI), consent of all independent directors shall be seek. Matters under (I) and (II) shall be submitted to the Board for discussion after seeking consent of more than half of the independent directors. The reasonable expenses incurred from engaging intermediaries or professionals or other reasonable expenses required for duty performance by independent directors shall be borne by the Company.</p> <p>Where the laws, administrative rules and rules of CSRC provide otherwise, such provisions shall prevail.</p>	<p>Independent directors shall seek the consent of more than half of all the independent directors before exercising the powers under <u>(I)–(III)(I)–(V)</u> above. Before exereising the powers under (VI), consent of all independent directors shall be seek. Matters under (I) and (II) shall be submitted to the Board for discussion after seeking consent of more than half of the independent directors. The reasonable expenses incurred from engaging intermediaries or professionals or other reasonable expenses required for duty performance by independent directors shall be borne by the Company.</p> <p><u>Where the laws, administrative rules and rules of CSRC provide otherwise, such provisions shall prevail. The Company shall disclose in a timely manner when the powers stated under paragraph (I) above are exercised by independent directors. If the above-mentioned powers cannot be exercised normally, the Company shall disclose the specific circumstances and reasons.</u></p>
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<p>Article 154 Independent directors shall give objective, fair and independent opinions on the matters discussed by the general meeting or the Board of the Company. Especially, they shall give opinions to the general meeting or the Board in relation to the following matters:</p> <p>(I) external guarantee;</p> <p>(II) material connected transactions;</p> <p>(III) work out of profit distribution policy, profit distribution plan and cash distribution plan;</p> <p>(IV) nomination, appointment and dismissal of directors;</p> <p>(V) appointment or dismissal of senior management officers;</p> <p>(VI) remunerations and equity incentive plans for directors and senior management officers;</p> <p>(VII) changes in the use of proceeds;</p> <p>(VIII) over-raised funds used to permanently supplement working capital and repay bank loan;</p> <p>(IX) workout of plan for conversion of capital reserve into share capital;</p> <p>(X) changes in accounting policies and accounting estimates or correction of significant accounting errors resulting from reasons other than changes in accounting standards;</p> <p>(XI) production of nonstandard unqualified audit opinions by certified public accountants on the financial reports of the Company;</p> <p>(XII) appointment and dismissal of the accounting firm;</p> <p>(XIII) acquisition by the Company's management;</p> <p>(XIV) material asset restructuring of the Company;</p>	<p>Deletion</p>
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<p>(XV) share repurchase by the Company by means of centralized bidding;</p> <p>(XVI) internal control evaluation report of the Company;</p> <p>(XVII) plan for change of undertakings made by the Company to related parties;</p> <p>(XVIII) the impact of the issuance of the Company's preferred shares on rights attaching to the class shareholders;</p> <p>(XIX) existing or new loan transactions involving a total amount of more than RMB3,000,000 or more than 5% of the latest audited net assets of the Company between the Company's shareholders, de facto controllers and connected enterprises thereof and the Company or other financial transactions, and whether the Company has taken effective measures to collect outstanding receivables;</p> <p>(XX) voluntary delisting of the Company;</p> <p>(XXI) other matters which independent directors deem likely to damage the rights and interests of the Company, creditors and minor shareholders;</p> <p>(XXII) other matters stipulated by laws, administrative regulations, departmental rules, regulatory documents, the listing rules of the stock exchange in the place where the stocks of the Company are listed, self-regulatory rules and the Articles of Association or ascertained by the securities regulatory authority of the State Council.</p> <p>Before the independent directors express their independent opinions on matters relating to the Company's voluntary delisting, they should fully consult the medium and minority shareholders on whether the matter is beneficial to the Company's long-term development and the interests of the shareholders as a whole. The independent directors' opinions formed on this basis should be announced together with the notice of the shareholders' meeting.</p>	
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<p>Article 155 At the annual general meeting of the Company, independent directors shall submit their yearly work reports, make a statement on their fulfilment of duties, and pay special attention to the internal control and standardized operation of listed companies, protection of rights and interests of medium and small investors, and other matters relating to the governance of the Company.</p>	<p>Article 155 At the annual general meeting of the Company, independent directors shall submit their yearly work reports, make a statement on their fulfilment of duties, and pay special attention to the internal control and standardized operation of listed companies, protection of rights and interests of medium and small investors, and other matters relating to the governance of the Company. <u>The yearly work reports of independent directors shall be disclosed no later than the time of the notice of annual general meeting issued by the Company.</u></p>
<p>Article 156 Independent directors are entitled to appropriate allowances from the Company, unless otherwise specified by laws and policies. Other than that, independent directors shall not obtain any other additional and undisclosed interests including equity incentives from the company they work in and its affiliated enterprises, controlling shareholders or other interested institutions and persons. The standard of allowances shall be formulated by the Board, and considered and approved by the general meeting.</p>	<p>Article 156 Independent directors are entitled to appropriate allowances from the Company, unless otherwise specified by laws and policies. Other than that, independent directors shall not obtain any other additional and undisclosed interests including equity incentives from the company they work in and its affiliated enterprises, controlling <u>substantial shareholders, actual controllers or other interested institutions</u> <u>units</u> and persons. The standard of allowances shall be formulated by the Board, and considered and approved by the general meeting.</p>
<p>Article 158 The Board shall comprise 13 directors, including 5 independent directors.</p>	<p>Article 158 The Board shall comprise <u>12-13</u> directors, including. <u>Among them, 5 independent directors shall not be less than one-third of the total number of directors.</u></p>
<p>Article 159 The Board shall exercise the following functions and powers: Other than the resolutions of the Board in respect of the matters specified in items (VI), (VII) and (XII) of this Article and other matters which shall be passed by the affirmative vote of more than two-thirds of all directors as provided by laws, administrative regulations, departmental rules, listing rules of the stock exchange in the place where the stocks of the Company are listed and the Articles of Association, the resolutions of the Board in respect of all other matters may be passed by the affirmative vote of more than half of all the directors.</p>	<p>Article 159 The Board shall exercise the following functions and powers: Other than the resolutions of the Board in respect of the matters specified in items (VI), (VII) and (XII) of this Article and other matters which shall be passed by the affirmative vote of more than two-thirds of all directors as provided by laws, administrative regulations, departmental rules, listing rules of the stock exchange in the place where the stocks of the Company are listed and the Articles of Association, the resolutions of the Board in respect of all other matters may be passed by the affirmative vote of more than half of all the directors.</p>

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<p>Article 160 When the Board intends to dispose a fixed asset, if sum of the expected value of the said fixed asset and the value obtained from the fixed assets that are disposed within four (4) months before this disposal proposal exceeds 33% of the value of fixed assets indicated in the balance sheet latest audited by the general meeting, then the Board shall not dispose or agree to dispose of the said fixed asset without the approval of the general meeting.</p> <p>The disposal of a fixed asset in this article includes the act of transferring asset interests, but excludes the act of providing guarantee by using a fixed asset.</p> <p>The validity of the Company’s transaction for disposal of a fixed asset is not affected by the violation of the first clause of this article.</p>	<p>Deletion</p>
<p>Article 163 The Board shall establish audit committee and remuneration and evaluation committee and may establish strategy committee, nomination committee and other special committees according to its needs. The special committees shall be accountable to the Board and perform duties in accordance with the Articles of Association and the authorization of the Board, and their proposals shall be submitted to the Board for consideration and approval. All of the special committees shall consist of directors. In the audit committee, nomination committee, and remuneration and evaluation committee, independent directors shall be the majority and shall act as conveners, the audit committee shall at least include one accountant as independent director, and the convener shall be an accounting professional. The Board shall formulate the rules of procedures of the special committees to regulate their operation.</p> <p>Special committees may engage intermediaries to provide professional opinions. Expenses required for duty performance by special committees shall be borne by the Company.</p>	<p>Article 147Article 163 Article 147 The Board shall establish audit committee and remuneration and evaluation committee and may establish strategy committee, nomination committee and other special committees according to its needs. The special committees shall be accountable to the Board and perform duties in accordance with the Articles of Association and the authorization of the Board, and their proposals shall be submitted to the Board for consideration and approval. All of the special committees shall consist of directors. In the audit committee, nomination committee, and remuneration and evaluation committee, independent directors shall <u>account for more than half of the members</u> be the majority and shall act as conveners, the audit committee shall at least include one accountant as independent director, and the convener shall be an accounting professional. <u>The members of the audit committee shall be directors who do not serve as senior management of the Company.</u> The Board shall formulate the rules of procedures of the special committees to regulate their operation.</p> <p>Special committees may engage intermediaries to provide professional opinions. Expenses required for duty performance by special committees shall be borne by the Company.</p>
<p>Article 168 The chairman and vice chairman of the Board shall be elected and removed by more than half of all the directors.</p>	<p>Article 152Article 168 Article 152 The chairman and vice <u>chairman</u> of the Board shall be elected and removed by more than half of all the directors.</p>

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<p>Article 173 Provisional Board meetings may be convened upon proposal by shareholders representing at least one tenth of the total voting rights, by at least one third of the directors, by at least a half of the independent directors, by the Supervisory Committee, or by manager (president and CEO). The chairman shall convene and preside over a Board meeting within ten days after receipt of the proposal.</p> <p>.....</p>	<p>Article 157Article 173 Provisional Board meetings may be convened upon proposal by shareholders representing at least one tenth of the total voting rights, by at least one third of the directors, by at least a more than half of the independent directors, <u>or</u> by the Supervisory Committee, or by manager (president and CEO). The chairman shall convene and preside over a Board meeting within ten days after receipt of the proposal.</p> <p>.....</p>
<p>Article 175 The notice of a Board meeting shall specify:</p> <p>.....</p> <p>A verbal meeting notice shall at least include (I), (III) and (IV) above, and the explanations for a provisional Board meeting convened in emergency. Where two or more independent directors consider that the information provided is insufficient or the proof is not enough, they may jointly request the Board in writing to postpone the convening of the Board meeting or the discussion of the issues, the Board shall accept such request and the Company shall disclose the relevant circumstances in a timely manner.</p>	<p>Article 159Article 175 The notice of a Board meeting shall specify:</p> <p>.....</p> <p>A verbal meeting notice shall at least include (I), (III) and (IV) above, and the explanations for a provisional Board meeting convened in emergency. Where two or more independent directors consider that the information provided is insufficient, or the proof is not enough <u>or the provision is not timely</u>, they may jointly request the Board in writing to postpone the convening of the Board meeting or the discussion of the issues, the Board shall accept such request and the Company shall disclose the relevant circumstances in a timely manner.</p>
<p>Article 176 Unless otherwise provided in the Articles of Association, Board meeting shall be attended by more than half of the directors. Resolutions made by the Board shall be approved by more than half of all the directors unless otherwise specified in the Articles of Association.</p> <p>Resolutions of the Board shall be voted on as per “one person, one vote” system. Where there is an equality of votes cast both for and against a resolution, the chairman shall have the right to cast one more vote.</p>	<p>Article 160Article 176 Unless otherwise provided in the Articles of Association, Board meeting shall be attended by more than half of the directors. Resolutions made by the Board shall be approved by more than half of all the directors unless otherwise specified in the Articles of Association.</p> <p>Resolutions of the Board shall be voted on as per “one person, one vote” system. Where there is an equality of votes cast both for and against a resolution, the chairman shall have the right to cast one more vote.</p>

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<p>Article 196 The secretary to the Board shall be responsible for the preparations for general meetings and Board meetings, keeping of documentation and shareholders’ data, information disclosure, investor relations management and other matters of the Company, etc., to ensure:</p> <p>(I) the Company has complete organizational documents and records;</p> <p>(II) the Company prepares and submits reports and documents required by competent authorities according to law;</p> <p>(III) the register of shareholders of the Company is properly established and the people entitled to access of relevant records and documents of the Company obtain relevant records and documents in time.</p> <p>The secretary to the Board shall observe the laws, administrative regulations, departmental rules, the listing rules of the stock exchange in the place where the stocks of the Company are listed and the Articles of Association.</p> <p>.....</p>	<p>Article 180Article 196 The secretary to the Board shall be responsible for the preparations for general meetings and Board meetings, keeping of documentation and shareholders’ data, information disclosure, investor relations management and other matters of the Company, etc., to ensure:</p> <p>(I) the Company has complete organizational documents and records;</p> <p>(II) the Company prepares and submits reports and documents required by competent authorities according to law;</p> <p>(III) the register of shareholders of the Company is properly established and the people entitled to access of relevant records and documents of the Company obtain relevant records and documents in time.</p> <p>The secretary to the Board shall observe the laws, administrative regulations, departmental rules, the listing rules of the stock exchange in the place where the stocks of the Company are listed and the Articles of Association.</p> <p>.....</p>
<p>Article 197 A director or other senior management officer of the Company may serve concurrently as secretary to Board. The accountant of the accounting firm hired by the Company may not concurrently act as the secretary to Board of the Company.</p> <p>When a director concurrently serves as the secretary to Board of the Company, if an act shall be conducted by directors and the secretary to Board of the Company respectively, the person serving as a director and the secretary to Board of the Company concurrently may not conduct this act in dual identities.</p>	<p>Article 181Article 197 A director or other senior management officer of the Company may serve concurrently as secretary to Board. The accountant of the accounting firm hired by the Company may not concurrently act as the secretary to Board of the Company.</p> <p>When a director concurrently serves as the secretary to Board of the Company, if an act shall be conducted by directors and the secretary to Board of the Company respectively, the person serving as a director and the secretary to Board of the Company concurrently may not conduct this act in dual identities.</p>

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<p>Article 212 The Supervisory Committee shall be accountable to general meetings and exercise the following functions and powers:</p> <p>.....</p> <p>(VII) to negotiate with directors and senior management officers on behalf of the Company or initiate legal proceedings against the Company’s directors and senior management officers in accordance with Article 151 of the Company Law;</p> <p>.....</p>	<p>Article 196Article 212 Article 212 The Supervisory Committee shall be accountable to general meetings and exercise the following functions and powers:</p> <p>.....</p> <p>(VII) to negotiate with directors and senior management officers on behalf of the Company or initiate legal proceedings against the Company’s directors and senior management officers in accordance with Article 151 of the Company Law;</p> <p>.....</p>
<p>Article 219</p> <p>.....</p> <p>(VI) has been subject to an investigation by judicial authorities for criminal offences, and such investigation has not come to an end;</p> <p>(VII) is under a measure of prohibited access to the securities market imposed by the securities regulatory authority of the State Council, which measure is still effective;</p> <p>(VIII) is otherwise disqualified for an enterprise leader by the laws or administrative regulations;</p> <p>(IX) is not a natural person;</p> <p>(X) has been adjudged by the relevant competent authorities of violations of relevant securities laws which involves fraud or dishonesty, and it has been less than five years since the date of the judgment;</p> <p>(XI) has other contents specified in laws, administrative regulations, departmental rules, normative documents or the listing rules of the stock exchange in the place where the stocks of the Company are listed.</p> <p>.....</p>	<p>Article 203Article 219 Article 219</p> <p>.....</p> <p>(VI) (VI) has been subject to an investigation by judicial authorities for criminal offences, and such investigation has not come to an end;</p> <p>(VI)(VII) (VII) is under a measure of prohibited access to the securities market imposed by the securities regulatory authority of the State Council, which measure is still effective;</p> <p>(VIII) (VIII) is otherwise disqualified for an enterprise leader by the laws or administrative regulations;</p> <p>(VII)(IX) (VII) is not a natural person;</p> <p>(X) (X) has been adjudged by the relevant competent authorities of violations of relevant securities laws which involves fraud or dishonesty, and it has been less than five years since the date of the judgment;</p> <p>(VIII) (XI) (VIII) has other contents specified in laws, administrative regulations, departmental rules, normative documents or the listing rules of the stock exchange in the place where the stocks of the Company are listed.</p> <p>.....</p>
<p>Article 220 The validity of an act carried out by a director, manager (president and CEO) or a senior management on behalf of the Company as against a bona fide third party shall not be affected by any irregularity in his office, election or any defect in his qualification.</p>	<p>Deletion</p>

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<p>Article 221 In addition to the obligations imposed by laws, administrative regulations or the listing rules of the stock exchange in the place where the stocks of the Company are listed, each of the Company’s directors, supervisors, manager (president and CEO) and other senior management owes a duty to each shareholder, in the exercise of the functions and powers of the Company entrusted to him:</p> <p>(I) not to cause the Company to exceed the scope of business stipulated in its business license;</p> <p>(II) to act honestly and in the best interests of the Company;</p> <p>(III) not to expropriate the Company’s property in any way, including without limitation usurpation of opportunities which benefit the Company;</p> <p>(IV) not to expropriate the individual rights of shareholders, including without limitation rights to distributions and voting rights, save and except pursuant to a restructuring of the Company which has been submitted to the shareholders for approval in accordance with the Company’s Articles of Association.</p>	<p>Deletion</p>
<p>Article 222 Each of the Company’s directors, supervisors, manager (president and CEO) and other senior management officers owes a duty, in the exercise of his powers and in the discharge of his duties, to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.</p>	<p>Deletion</p>

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<p>Article 223 Each of the Company’s directors, supervisors, manager (president and CEO) and other senior management officers shall exercise his power or perform his duties in accordance with fiduciary principles; and shall not put himself in a position where his duty and his interest may conflict. These principles include without limitation:</p> <p>(I) to act honestly in the best interest of the Company;</p> <p>(II) to act within the scope of its powers and not to exceed such powers;</p> <p>(III) to exercise his proportional decision power in person without being subject to manipulations of other persons, and not to transfer such power to other persons unless permitted by law or administrative regulations or approved by the general meeting with full knowledge;</p> <p>(IV) to treat shareholders of the same class with equality, and different classes with fairness;</p> <p>(V) not to enter into contracts or conduct transactions or make arrangements with the Company unless otherwise provided by the Articles of Association or approved by the general meeting with full knowledge;</p> <p>(VI) not to employ the Company’s assets in any way so as to pursue interests for himself unless approved by the general meeting with full knowledge;</p> <p>(VII) not to accept any bribery or other illegal income by using his powers and position, and seize the assets of the Company in any manner, including (but not limited to) opportunities beneficial to the Company;</p> <p>(VIII) not to accept commissions relating to the transactions of the Company, without the approval of the general meeting with full knowledge;</p> <p>(IX) to obey the Articles of Association, perform his duties honestly and faithfully, protect the Company’s interests, and not to pursue his personal gain by taking advantage of this power and position at the Company;</p>	<p>Deletion</p>
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<p>(X) not to complete with the Company in any way unless approved by the general meeting with full knowledge;</p> <p>(XI) not to misappropriate the funds of the Company or lend the funds of the Company to other persons, open accounts in his own or another individual's name for deposit of the Company's assets, or use Company's assets as security for the debts of the shareholders of the Company or other individuals;</p> <p>(XII) not to divulge the confidential information relating to the Company received during his term of office, unless approved by the general meeting with full knowledge; and not to use such information unless for the purpose of the Company's interests; however, to be allowed to disclose such information to a court of law or other governing authorities under the following circumstances:</p> <ol style="list-style-type: none"> 1. as prescribed by law; 2. as required for the purpose of public interest; 3. as required for the purpose of own interests of such directors, supervisors, manager (president and CEO) and other senior management officers. 	
<p>Article 226 The liability of a director, supervisor, manager (president and CEO) and any other senior management officer of the Company as a result of his violation of any specific duty may be relieved under the condition that the general meeting knows the circumstance, save as by Article 65 of the Articles of Association.</p>	<p>Deletion</p>

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<p>Article 227 A director, supervisor, manager (president and CEO) and any other senior management officer of the Company who directly or indirectly has material interests in contracts, transactions, or arrangements that have already been concluded by the Company or are being planned (save the contracts of employment between the directors, supervisors, manager (president and CEO) or other senior management officers and the Company), shall, as soon as possible, disclose to the Board the nature and extent of his interests, regardless of whether or not the matters at hand require the approval of the Board.</p> <p>Except the circumstances specified in Hong Kong Listing Rules or permitted by HKEX, a director may not vote any resolution of the Board with respect to any contract or arrangement or any other suggestion which has substantial interests via himself or any of his close associates (as defined under the Hong Kong Listing Rules). When determining whether the number of persons present at the meeting of the Board reaches the quorum, the said director may not be counted as part of the quorum.</p> <p>Unless the interested directors, supervisors, manager (president and CEO) or other senior management officers of the Company have made such disclosure to the Board as required by the preceding paragraph of this Article, and the relevant matter has been approved by the Board at the Board meeting where such directors, supervisors, manager (president and CEO) or other senior management officers have not been counted as part of the quorum and voted thereat, the Company shall be entitled to cancel such contracts, transactions, or arrangements, except as to any other party which is a bona fide party without knowledge of the violation of duties on the part of such directors, supervisors, manager (president and CEO) or other senior management officers.</p> <p>Where the Associates of the directors, supervisors, manager (president and CEO) and other senior management officers of the Company have interests in such contracts, transactions or arrangements, such directors, supervisors, manager (president and CEO) and other senior management officers shall also be deemed to be interested.</p>	<p>Deletion</p>
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<p>Article 228 If, prior to the Company’s initial consideration of such contracts, transactions, or arrangements referred to by the preceding Article, a director, supervisor, manager (president and CEO) or any other senior management officer of the Company has delivered a written notice to the Board, which contains the statement that he has interest in the contracts, transactions, or arrangements to be concluded by the Company in the future, such director, supervisor, manager (president and CEO) or other senior management officer shall be deemed to have contained in the notice.</p>	<p>Deletion</p>
<p>Article 229 The Company shall not, in any manner, perform tax duties for its directors, supervisors, manager (president and CEO) and other senior management officers.</p>	<p>Deletion</p>
<p>Article 230 The Company shall not directly or indirectly make a loan to or provide a guarantee in connection with the making of a loan to a director, supervisor, manager (president and CEO)/manager and other senior management officer of the Company or parent company thereof, or to any of their respective associates.</p> <p>The foregoing shall not apply to the following circumstances:</p> <p>(I) The provision by the Company of a loan or loan guarantee to its subsidiaries;</p> <p>(II) The provision by the Company of a loan or loan guarantee or any other funds to any of its directors, supervisors, manager (president and CEO) and other senior management officers to meet expenditures incurred or to be incurred by him for the purpose of the Company or for the purpose of enabling him to perform his duties properly in accordance with an employment contract approved at the general meeting;</p> <p>(III) If the ordinary course of the business of the Company includes the lending of money and the provision of loan guarantee, the Company may make a loan to the relevant directors, supervisors, manager (president and CEO) and other senior management officers or their respective associates, provided that they are on normal commercial terms.</p>	<p>Deletion</p>

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<p>Article 231 Any person who receives funds from a loan which has been made by the Company acting in breach of the preceding Article shall, irrespective of the terms of the loan, forthwith repay such funds.</p>	Deletion
<p>Article 232 A guarantee for the repayment of a loan which has been provided by the Company in breach of the preceding Article 230 (I) shall not be enforceable against the Company, save in respect of the following circumstances:</p> <p>(I) the guarantee was provided in connection with a loan which was made to an Associate of any of the directors, supervisors, manager (president and CEO)/manager and other senior management officers of the Company or parent company thereof and the lender of such funds did not know of the relevant circumstances at the time of the loan;</p> <p>(II) the collateral which has been provided by the Company has already been lawfully disposed of by the lender to a bona fide purchaser.</p>	Deletion
<p>Article 233 For the purpose of the forgoing provisions of this Chapter, a “guarantee” includes an undertaking or property provided to secure the obligator’s performance of his obligations.</p>	Deletion

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<p>Article 235 The Company shall enter into a contract in writing with each of its directors, supervisors, manager (president and CEO) and other senior management officers, which shall include at least the following provisions:</p> <p>(I) the director, supervisor, manager (president and CEO) or other senior management officer promises to the Company that he will obey the Company Law, the Special Provisions, the Articles of Association, the Codes on Takeovers and Mergers, the Codes on Share Buy-backs, and other regulations formulated by HKEX, and agree to the entitlement of the Company to the remedies specified in the Articles of Association, and this contract and his position shall not be transferred;</p> <p>(II) the director, supervisor, president or other senior management officer promises to the Company that he will obey and perform his duties for shareholders as prescribed in the Articles of Association;</p> <p>(III) the arbitration clauses prescribed in Article 297 of the Articles of Association.</p> <p>The Company shall, with the prior approval of the general meeting, enter into a contract in writing with a director or supervisor wherein his emoluments are stipulated. The aforesaid emoluments may include:</p> <p>(I) emoluments in respect of his service as a director, supervisor or senior management officer of the Company;</p> <p>(II) emoluments in respect of his service as a director, supervisor or senior management officer of any subsidiary of the Company;</p> <p>(III) emoluments in respect of the provision of other services in connection with the management of the affairs of the Company and any of its subsidiaries;</p> <p>(IV) payment by way of compensation for loss of office or as consideration for or in connection with his retirement from office.</p> <p>No proceedings may be brought by a director or supervisor against the Company for anything due to him in respect of the matters mentioned in this Article except pursuant to any contract described above.</p>	<p>Deletion</p>
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<p>Article 236 Contracts concerning the emolument between the Company and its directors or supervisors shall provide that in the event that the Company is to be acquired by others, the Company’s directors and supervisors shall, subject to the prior approval of the general meeting, have the right to receive compensation or other payment in respect to his loss of office or retirement. For the purpose of this paragraph, the acquisition of the Company includes any of the following:</p> <p>(I) a tender offer made by any person to all the shareholders; or</p> <p>(II) any offer made by any person with a view to becoming a controlling shareholder, which has the same meaning with that prescribed in Article 298 of the Articles of Association of the Company.</p> <p>If the relevant director or supervisor does not comply with this article, any sum so received by him shall belong to those persons who have sold their shares as a result of such offer. The expenses incurred in distributing such sum on a pro rata basis amongst such persons shall be borne by the relevant director or supervisor and shall not be paid out of such sum.</p>	<p>Deletion</p>
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APPENDIX VI PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

<p>Article 238</p> <p>.....</p> <p>The financial statements of the Company shall, in addition to being prepared in accordance with PRC accounting principles and regulations, be prepared in accordance with either international accounting principles, or those of the place outside the PRC where the Company’s shares are listed. If there is any material difference between the financial statements prepared in accordance with the two accounting principles, such difference shall be stated in the financial statements in distributing its after-tax profits, the lower of the two amounts shown in the financial statements shall be adopted.</p> <p>Any interim results or financial information published or disclosed by the Company must be also be prepared and presented in accordance with PRC accounting principles and regulations, and also in accordance with either international accounting principles or those of the place overseas where the Company’s shares are listed.</p>	<p>Article 208Article 238</p> <p>.....</p> <p>The financial statements of the Company shall, in addition to being be prepared in accordance with <u>PRC Accounting Standards for Business Enterprises accounting principles and the applicable laws and regulations of the place where the stocks of the Company are listed</u> regulations, be prepared in accordance with either international accounting principles, or those of the place outside the PRC where the Company’s shares are listed. If there is any material difference between the financial statements prepared in accordance with the two accounting principles, such difference shall be stated in the financial statements in distributing its after-tax profits, the lower of the two amounts shown in the financial statements shall be adopted.</p> <p>Any interim results or financial information published or disclosed by the Company must be also be prepared and presented in accordance with PRC accounting principles and regulations, and also in accordance with either international accounting principles or those of the place overseas where the Company’s shares are listed.</p>
<p>Article 239 The Board of the Company shall present to the shareholders, at every annual general meeting, such financial reports which the relevant laws, administrative regulations and normative documents promulgated by regional governmental authorities and the competent department require the Company to prepare.</p>	<p>Deletion</p>

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<p>Article 243 The common reserve of the Company shall be used to recover the losses, enhance the operating scale or increase the capital of the Company, but the capital reserve shall not be used to recover the losses of the Company. The capital reserve includes the following items:</p> <p>(I) any premium above the proceeds from share issuance at face value; and</p> <p>(II) any other income designated for the capital reserve by the competent financial department of the State Council.</p> <p>When statutory common reserve is converted into capital, the remainder of the common reserve shall not be less than 25% of the registered capital of the Company before such conversion.</p>	<p>Article 212Article 243 The common reserve of the Company shall be used to recover the losses, enhance the operating scale or increase the capital of the Company, but the capital reserve shall not be used to recover the losses of the Company. The capital reserve includes the following items:</p> <p>(I) any premium above the proceeds from share issuance at face value; and</p> <p>(II) any other income designated for the capital reserve by the competent financial department of the State Council.</p> <p>When statutory common reserve is converted into capital, the remainder of the common reserve shall not be less than 25% of the registered capital of the Company before such conversion.</p>
<p>Article 244 After recovering the losses of the preceding year, the Company shall distribute its after-tax profit in the following order:</p> <p>(I) to withdraw statutory common reserve;</p> <p>(II) to withdraw discretionary common reserve;</p> <p>(III) to distribute profits to shareholders.</p>	<p>Deletion</p>

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<p>Article 246 The specific profit distribution policy of the Company:</p> <p>(I) form of profit distribution: The Company shall distribute dividends in cash or shares or in a way integrating cash and shares. If meeting conditions for cash dividends, the Company shall distribute profits in cash dividends. If meeting conditions for cash dividends without distribution, the Company shall fully disclose the reasons of non-distribution.</p> <p>(II) interval of profit distribution: The Company, in principle, adopts an annual profit distribution policy. The Board of the Company may propose an interim profit distribution plan according to profitability, cash flow and capital demand plan, which shall be implemented upon consideration and approval by the extraordinary general meeting.</p> <p>(III) specific conditions for the Company to distribute cash dividends:</p> <p>Except in special circumstances, the Company shall first distribute dividends in cash when the Company makes a profit and the accumulated undistributed profit is positive in the current year. Special circumstances are:</p> <ol style="list-style-type: none"> 1. negative net operating cash flow in the current year; 2. any major external investment or capital expenditure plan (excluding fund-raising project) of the Company in the coming 12 months. Major investment plan or capital expenditure refers to the circumstance in which the Company’s accumulated capital expenditure for intended external investment, asset acquisition or equipment procurement reaches or exceeds 20% of the audited net assets in the most recent fiscal year; 3. other circumstances which the Board believes to be not suitable for distributing cash dividends. 	<p>Article 246 Article 214 Article 246 The specific profit distribution policy of the Company:</p> <p>(I) form of profit distribution: The Company shall distribute dividends in cash or shares or in a way integrating cash and shares. If meeting conditions for cash dividends, the Company shall distribute profits in cash dividends. If meeting conditions for cash dividends without distribution, the Company shall fully disclose the reasons of non-distribution.</p> <p>(II) interval of profit distribution: The Company, in principle, adopts an annual profit distribution policy. The Board of the Company may propose an interim profit distribution plan after comprehensively taking into account of <u>the factors such as according to profitability, cash flow and capital demand plan of the Company, which shall be implemented upon consideration and approval by the extraordinary general meeting in accordance with the procedures stipulated in the Articles of Association.</u></p> <p>(III) specific conditions for the Company to distribute cash dividends:</p> <p>Except in special circumstances, the Company shall first distribute dividends in cash when the Company makes a profit and the accumulated undistributed profit is positive in the current year. Special circumstances are:</p> <ol style="list-style-type: none"> 1. negative net operating cash flow in the current year; 2. any major external investment or capital expenditure plan (excluding fund-raising project) of the Company in the coming 12 months. Major investment plan or capital expenditure refers to the circumstance in which the Company’s accumulated capital expenditure for intended external investment, asset acquisition or equipment procurement reaches or exceeds 20% of the audited net assets in the most recent fiscal year; 3. <u>the audit report of the Company for the most recent year is issued with qualified opinion or with an unqualified opinion in connection with paragraphs regarding material uncertainties on the ability of the Company to continue as a going concern;</u>
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<p>(IV) specific conditions for the Company to distribute share dividends: On the basis of meeting the aforesaid conditions for distributing cash dividends, the Company may present a plan for share dividend distribution when the Company operates properly, the Board believes that the Company's share price does not match its share capital size, and the distribution of share dividends is beneficial for the overall interests of all the shareholders of the Company.</p> <p>(V) minimum ratio of cash dividends and differentiated cash dividend policies</p> <p>In any three consecutive years, the profits that the Company have accumulatively distributed in cash shall not be less than 30% of the annual average distributable profits realized in these three years; and generally, the profits annually distributed in cash shall not be less than 10% of the distributable profits in the current year. Share repurchase by means of offering or centralized bidding in consideration of cash shall be deemed as cash dividend and included in the percentage of cash dividend in the current year.</p> <p>The Board of the Company will formulate differentiated cash dividend policies, in accordance with the procedure stipulated in the Articles of Association and taking into consideration of the industrial characteristics, development stages, business model, profitability, whether there are major capital expenditure arrangements and other factors:</p> <p>.....</p>	<p>4. <u>the gearing ratio of the Company at the end of the most recent fiscal year exceeds 80%;</u></p> <p>5.3- other circumstances which the Board believes to be not suitable for distributing cash dividends.</p> <p>(IV) specific conditions for the Company to distribute share dividends: On the basis of meeting the aforesaid conditions for distributing cash dividends, the Company may present a plan for share dividend distribution when the Company operates properly, the Board believes that the Company's share price does not match its share capital size, and the distribution of share dividends is beneficial for the overall interests of all the shareholders of the Company.</p> <p>(V) minimum ratio of cash dividends and differentiated cash dividend policies</p> <p><u>The Company's cash dividend policy objectives: in in any three consecutive years, the profits that the Company have accumulatively distributed in cash shall not be less than 30% of the annual average distributable profits realized in these three years; and generally, the profits annually distributed in cash shall not be less than 10% of the distributable profits in the current year. Share repurchase by means of offering or centralized bidding in consideration of cash shall be deemed as cash dividend and included in the percentage of cash dividend in the current year. The aforesaid "distributable profit" refers to the net profit attributable to the owners of the parent company in the next year (on a consolidated basis) in accordance with PRC Accounting Standards for Business Enterprises. If the shares are repurchased by way of offer or centralized bidding with cash as consideration, it shall be regarded as the amount of cash dividends of the Company and shall be included in the calculation of the relevant proportion of cash dividends for that year.</u></p> <p>The Board of the Company will formulate differentiated cash dividend policies, in accordance with the procedure stipulated in the Articles of Association and taking into consideration of the industrial characteristics, development stages, business model, profitability, <u>the ability to repay debts</u>, whether there are <u>major capital expenditure arrangements, the investors' return</u> and other factors:</p> <p>.....</p>
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APPENDIX VI PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

<p>Article 247 Deliberation procedure for the profit distribution plan of the Company</p> <p>(I) the profit distribution plan of the Company shall be prepared by the management according to the Company’s actual profitability, cash flow, future business plan and other factors, and shall be submitted to the Board of the Company for deliberation. The Board shall have an adequate discussion on the reasonability of the profit distribution plan, and independent directors shall provide definite opinions. The profit distribution plan shall be submitted to the general meeting for deliberation after deliberated by the Board.</p> <p>(II) when the Company formulates the specific plan for cash dividends, the Board shall carefully study and demonstrate the timing, conditions, minimum ratio and adjustment conditions of the cash dividends, the Company’s decision-making procedure and other matters, and independent directors shall provide definite opinions. Independent directors may solicit the opinions of minority shareholders, present cash dividend proposals and submit them directly to the Board for deliberation.</p> <p>(III) before the profit distribution plan is considered at the general meeting, the Company will actively communicate and exchange ideas with shareholders, particularly, minority shareholders, through multiple channels and fully listen to the opinions and requests of minority shareholders. In addition to arrangements for listening to opinions of minority shareholders at the general meeting, the Company will also actively communicate and exchange ideas with shareholders, particularly, minority shareholders, through shareholder hotline, investor relations interactive platform and by other means to timely respond to the concerns of minority shareholders, and provides online voting method to shareholders before convening of the general meeting.</p>	<p>Article 215Article 247 <u>Decision-making</u> Deliberation procedure and <u>system</u> for the profit distribution plan of the Company</p> <p>(I) the profit distribution plan of the Company shall be prepared by the management according to the Company’s actual profitability, cash flow, <u>gearing ratio</u>, future business plan and other factors, and shall be submitted to the Board of the Company for deliberation. The Board shall have an adequate discussion on the reasonability of the profit distribution plan, and independent directors shall provide definite opinions. The profit distribution plan shall be submitted to the general meeting for deliberation after deliberated by the Board.</p> <p>(II) when the Company formulates the specific plan for cash dividends, the Board shall carefully study and demonstrate the timing, conditions, minimum ratio and adjustment conditions of the cash dividends, the Company’s decision-making procedure and other matters, and independent directors shall provide definite opinions. Independent directors may solicit the <u>have the right to provide independent opinions if they believe that the specific cash dividend plan may harm the interests of the Company or minority shareholders</u>, present cash dividend proposals and submit them directly to the Board for deliberation.</p> <p>(III) before the profit distribution plan is considered at the general meeting, the Company will actively communicate and exchange ideas with shareholders, particularly, minority shareholders, through multiple channels and fully listen to the opinions and requests of minority shareholders. In addition to arrangements for listening to opinions of minority shareholders at the general meeting, the Company will also actively communicate and exchange ideas with shareholders, particularly, minority shareholders, through shareholder hotline, investor relations interactive platform and by other means to timely respond to the concerns of minority shareholders, and provides online voting method to shareholders before convening of the general meeting.</p>
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APPENDIX VI PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

<p>(IV) when the Company cannot determine the profit distribution plan for the current year according to the existing cash dividend policy or the minimum proportion of cash dividends due to the aforesaid special circumstances in Item (III) of the preceding Article 246, the Company shall disclose specific reasons and definite opinions of independent directors in regular reports. The profit distribution plan of the Company in the current year shall be approved by above two-thirds of voting rights held by the shareholders attending the meeting.</p>	<p>(IV) when the Company cannot determine the profit distribution plan for the current year according to the existing cash dividend policy or the minimum proportion of cash dividends due to the aforesaid special circumstances after full discussion in accordance with Item (III) of the preceding this Article 246, the Company may consider and approve the conditions, upper limit of proportion, and upper limit of the amount of interim cash dividends in the next year when it convenes an annual general meeting to deliberate on the annual shall disclose specific reasons and definite opinions of independent directors in regular reports. The profit distribution plan of the Company in the current year shall be approved by above two-thirds of voting rights held by the shareholders attending the meeting. According to the resolutions of the general meeting, the Board formulates a specific interim dividend plan under the conditions of profit distribution.</p>
<p>Article 248 Implementation of the profit distribution plan of the Company</p> <p>After the profit distribution plan is adopted at the general meeting, the Board shall finish distributing dividends (or shares) within 2 months after conclusion of the general meeting.</p>	<p>Article 216Article 248 Implementation of the profit distribution plan of the Company</p> <p>After the profit distribution plan is adopted at the general meeting, <u>or the Board formulates a specific plan according to the conditions and upper limit of the interim dividend for the next year deliberated and approved by the general meeting,</u> the distribution of dividends (or shares) shall be finished distributing dividends (or shares) within 2 months after conclusion of the general meeting.</p>

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<p>Article 249 Modification of the profit distribution policy of the Company</p> <p>The Company shall strictly implement the profit distribution policy determined in the Articles of Association and the specific profit distribution plan deliberated and approved at the general meeting. The Company may adjust the profit distribution policy if the production and operation of the Company are significantly affected by the changes in the Company’s external operating environment or it is indeed necessary to adjust the profit distribution policy determined in the Articles of Association due to great changes in operation status of the Company.</p> <p>The Board shall conduct special discussion on the adjustment to the profit distribution policy made by the Company to study reasons for the adjustment in details and form a written study report. Proposals on adjustment to the profit distribution plan shall be deliberated by the Board of the Company, on which independent directors shall provide definite opinions, and shall be submitted to the general meeting for deliberation and be approved by above two-thirds of voting rights held by the shareholders attending the meeting.</p>	<p>Article 217Article 249 Article 249 Modification Adjustment or modification of the profit distribution policy of the Company</p> <p>The Company shall strictly implement the profit distribution policy determined in the Articles of Association and the specific profit distribution plan deliberated and approved at the general meeting. The Company may adjust the profit distribution policy if the production and operation of the Company are significantly affected by the changes in the Company’s external operating environment or it is indeed necessary to adjust the profit distribution policy determined in the Articles of Association due to great changes in operation status of the Company.</p> <p>The Board shall conduct special discussion on the adjustment to the profit distribution policy made by the Company to study reasons for the adjustment in details and form a written study report. Proposals on adjustment to the profit distribution plan shall be deliberated by the Board of the Company, on which independent directors shall provide definite opinions, and shall be submitted to the general meeting for deliberation and be approved by above two-thirds of voting rights held by the shareholders attending the meeting.</p>
<p>Article 252 The Company shall appoint receiving agents for the holders of overseas listed foreign shares. Such receiving agents shall receive dividends on behalf of such holders which have been declared by the Company and all other amounts payable to such shareholders.</p> <p>The receiving agents appointed by the Company shall meet the requirements of the laws or the relevant regulations of the stock exchange where the Company’s shares are listed. The receiving agents appointed for holders of H-shares shall each be a company registered as a trust company under the Trustee Ordinance of Hong Kong.</p>	<p>Deletion</p>

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<p>Article 255 The Company shall engage accounting firms that are qualified under the Securities Law to audit its financial statements, verify its net assets, and provide other relevant consulting services. The accounting firms shall serve a term of one year from the end of this annual general meeting of the Company to the end of next annual general meeting of the Company and may be reengaged.</p>	<p>Article 255 Article 222 The Company shall engage accounting firms that are qualified under the Securities Law to audit its financial statements, verify its net assets, and provide other relevant consulting services. The accounting firms shall serve a term of one year from the end of this annual general meeting of the Company to the end of next annual general meeting of the Company and may be reengaged.</p>
<p>Article 258 The accounting firm engaged by the Company shall enjoy the following rights:</p> <p>(I) a right to inspect the books, records and vouchers of the Company at any time, the right to require the directors, manager (president and CEO) or other senior management officers of the Company to provide relevant information and explanations;</p> <p>(II) a right to require the Company to take all reasonable steps to obtain from its subsidiaries such information and explanations as are necessary for the discharge of its duties;</p> <p>(III) a right to attend shareholders’ general meetings and to receive all notices of, and other communications relating to, any shareholders’ general meeting which any shareholder is entitled to receive, and to speak at any shareholders’ general meeting in relation to matters concerning its role as the Company’s accounting firm.</p>	<p>Deletion</p>

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<p>Article 259 If there is a vacancy in the position of the accounting firm, the Board may engage an accounting firm to fill such vacancy before the convening of the shareholders’ general meeting, but it shall be confirmed at next general meeting. In the period of vacancy, any other accounting firm which has been engaged by the Company may continue to act.</p> <p>Where a resolution at a general meeting is to be passed to appoint an accounting firm other than an incumbent accounting firm to fill a casual vacancy, or to renew the appointment of an accounting firm designated by the Board to fill a casual vacancy, or to remove an accounting firm before expiration of its term of office, the following provisions shall apply:</p> <p>(I) a copy of the appointment or removal of proposal shall be sent (before notice of the general meeting is given to the shareholders) to the accounting firm proposed to be appointed or proposed to leave its post or the firm which has left its post in the relevant fiscal year. For the purpose of this article, “leaving” includes leaving by removal, resignation and retirement.</p> <p>(II) If the accounting firm leaving its post makes representations in writing and requests the Company to give the shareholders notice of such representation, the Company shall (unless the representations have been received too late) take the following measures:</p> <ol style="list-style-type: none"> 1. in any notice of the resolution given to shareholders, state the fact of the representations having been made; and 2. attach a copy of the representations to the notice and deliver it to the shareholders in a manner stipulated in the articles of association. <p>(III) If the Company fails to send out the representations of the accounting firm in the manner set out in item (II) above, such accounting firm may require that the representations be read out at the general meeting and may make further complaint.</p>	<p>Deletion</p>
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<p>(IV) The accounting firm which is leaving its post shall be entitled to attend the following meetings:</p> <ol style="list-style-type: none"> 1. the general meeting at which its term of office would otherwise have expired; 2. the general meeting at which it is proposed to fill the vacancy caused by its removal; and 3. the general meeting convened as a result of its resignation. <p>The resigning accounting firm shall have the right to receive all notices of, and other communications relating to, any such meeting, to speak at any such meeting which it attends on any part of the business of the meeting which concerns it as former accounting firm of the Company.</p>	
<p>Article 260 The general meeting may by ordinary resolution remove the Company’s accounting firm before the expiration of its term of office, irrespective of the provisions in the contract between the Company and the accounting firm. However, the right of the accounting firm to claim for damages which arise from its removal shall not be affected thereby.</p>	<p>Deletion</p>

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<p>Article 262 When the Company is to dismiss or not to reappoint an accounting firm, it shall give thirty days prior notice to the accounting firm. When a general meeting of the Company votes on the dismissal of the accounting firm, the firm shall be allowed to represent its opinions.</p> <p>Where the accounting firm resigns, it shall state to the general meeting whether the Company has improper circumstances.</p> <p>The succeeding accounting firm shall ask the preceding accounting firm and the Company about the reason for replacement of accounting firm. The preceding accounting firm (auditing firm) shall give assistance to the succeeding accounting firm (auditing firm), and if necessary, provide relevant working sheets.</p> <p>The accounting firm may resign from its post in a manner of putting a resignation letter at the legal address of the Company. Notice shall come into effect on the day when it is put at the legal address of the Company or on a later date stated in the notice. The notice shall include the following representations:</p> <p>(I) statement that the accounting firm thinks its resignation does not involve any circumstances that it shall be explained to the shareholders or creditors of the Company; or</p> <p>(II) representation on any circumstances that shall be explained.</p> <p>Within fourteen days after receiving the aforesaid written notice, the Company shall send the photocopies of this notice to relevant competent authorities. If the notice contains any of the representations mentioned in the preceding two paragraphs, the Company shall keep a duplicate of such representation in the Company, for reference of its shareholders. Unless otherwise prescribed in the Articles of Association, the Company shall also mail, by post-paid mail or other means permitted by the stock exchange in the place where the stocks of the Company are listed, the aforesaid duplicate of representation to every shareholder entitled to receive the financial condition reports of the Company, at the address registered in the register of shareholders.</p>	<p>Article 226Article 262 When the Company is to dismiss or not to reappoint an accounting firm, it shall give thirty days prior notice to the accounting firm. When a general meeting of the Company votes on the dismissal of the accounting firm, the firm shall be allowed to represent its opinions.</p> <p>Where the accounting firm resigns, it shall state to the general meeting whether the Company has improper circumstances.</p> <p>The succeeding accounting firm shall ask the preceding accounting firm and the Company about the reason for replacement of accounting firm. The preceding accounting firm (auditing firm) shall give assistance to the succeeding accounting firm (auditing firm), and if necessary, provide relevant working sheets.</p> <p>The accounting firm may resign from its post in a manner of putting a resignation letter at the legal address of the Company. Notice shall come into effect on the day when it is put at the legal address of the Company or on a later date stated in the notice. The notice shall include the following representations:</p> <p>(I) statement that the accounting firm thinks its resignation does not involve any circumstances that it shall be explained to the shareholders or creditors of the Company; or</p> <p>(II) representation on any circumstances that shall be explained.</p> <p>Within fourteen days after receiving the aforesaid written notice, the Company shall send the photocopies of this notice to relevant competent authorities. If the notice contains any of the representations mentioned in the preceding two paragraphs, the Company shall keep a duplicate of such representation in the Company, for reference of its shareholders. Unless otherwise prescribed in the Articles of Association, the Company shall also mail, by post-paid mail or other means permitted by the stock exchange in the place where the stocks of the Company are listed, the aforesaid duplicate of representation to every shareholder entitled to receive the financial condition reports of the Company, at the address registered in the register of shareholders.</p>
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<p>If the resignation notice of the accounting firm contains representation on any circumstances that shall be explained, the accounting firm may require the Board to convene an extraordinary general meeting to listen to its explanation on the resignation.</p>	<p>If the resignation notice of the accounting firm contains representation on any circumstances that shall be explained, the accounting firm may require the Board to convene an extraordinary general meeting to listen to its explanation on the resignation.</p>
<p>Article 271 The Company shall designate media in the scope of media as qualified by laws, regulations or the securities regulatory authority of the State Council to issue announcements and other to-be-disclosed information of the Company to shareholders of domestic shares. If an announcement shall be sent to shareholders of H-shares in accordance with the Articles of Association, it shall be published by the methods specified in Hong Kong Listing Rules.</p> <p>.....</p>	<p>Article 235Article 271 The Company shall designate media in the scope of media as qualified by laws, regulations or the securities regulatory authority of the State Council to issue announcements and other to-be-disclosed information of the Company to shareholders of domestic-A-shares. If an announcement shall be sent to shareholders of H-shares in accordance with the Articles of Association, it shall be published by the methods specified in Hong Kong Listing Rules.</p> <p>.....</p>
<p>Article 273 For the merger or division of the Company, the Board of the Company shall put forth a plan. After it is approved in the procedure specified in the Articles of Association, relevant examination and approval formalities shall be completed according to law. The shareholders who object to the merger or division plan of the Company shall have the right to require the Company or the shareholders who agree to the merger or division plan of the Company to purchase their shares at a fair price. The content of the resolution on merger or division of the Company shall be made into a special document, for the reference of shareholders.</p> <p>For H-share shareholders of the Company listed in Hong Kong, the aforesaid document shall also be served by mail or by other means permitted by HKEX.</p>	<p>Deletion</p>

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<p>Article 280 The Company may be dissolved for the following reasons:</p> <p>(I) circumstance for dissolution specified in the Articles of Association arises;</p> <p>(II) the general meeting has resolved to dissolve the Company;</p> <p>(III) merger or division of the Company entails dissolution;</p> <p>(IV) The Company is declared bankrupt according to law as it is unable to pay off the debts due;</p> <p>(V) the business license is revoked according to law, or the Company is ordered to close or is cancelled;</p> <p>(VI) if the Company gets into serious trouble in operations and management and continuation may incur material losses of the interests of the shareholders, and no solution can be found through any other channel, the shareholders holding more than 10% of the total voting rights of the Company may request the people’s court to dissolve the Company.</p>	<p>Article 280 Article 243 Article 280 The Company may be dissolved for the following reasons:</p> <p>(I) circumstance for dissolution specified in the Articles of Association arises;</p> <p>(II) the general meeting has resolved to dissolve the Company;</p> <p>(III) merger or division of the Company entails dissolution;</p> <p>(IV) The Company is declared bankrupt according to law as it is unable to pay off the debts due;</p> <p>(V) (IV) the business license is revoked according to law, or the Company is ordered to close or is cancelled;</p> <p>(VI) (V) if the Company gets into serious trouble in operations and management and continuation may incur material losses of the interests of the shareholders, and no solution can be found through any other channel, the shareholders holding more than 10% of the total voting rights of the Company may request the people’s court to dissolve the Company.</p>
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APPENDIX VI PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

<p>Article 282 Where the Company is dissolved pursuant to Items (I), (II) and (VI) of Article 280 of the Articles of Association, it shall establish a liquidation committee within fifteen days after the dissolution circumstance arises and commence liquidation. The liquidation committee shall comprise members determined by the directors or the general meeting. If the Company fails to set up the liquidation committee within the period, the creditors may apply to the people’s court for appointment of relevant persons to form a liquidation committee and carry out liquidation.</p> <p>Where the Company is dissolved according to item (IV) of Article 280 of the Articles of Association, the people’s court shall, according to provisions of related laws, organize the shareholders, the relevant authority and related professionals to form a liquidation committee to carry out liquidation.</p> <p>Where the Company is dissolved according to the item (V) of Article 280 of the Articles of Association, the relevant department in charge shall organize the shareholders, the relevant authority and related professionals to form a liquidation committee to carry out liquidation.</p>	<p>Article 245Article 282 Where the Company is dissolved pursuant to Items (I), (II) and, (IVV) and (V) of Article 24380 of the Articles of Association, it shall establish a liquidation committee within fifteen days after the dissolution circumstance arises and commence liquidation. The liquidation committee shall comprise members determined by the directors or the general meeting. If the Company fails to set up the liquidation committee within the period, the creditors may apply to the people’s court for appointment of relevant persons to form a liquidation committee and carry out liquidation.</p> <p>Where the Company is dissolved according to item (IV) of Article 280 of the Articles of Association, the people’s court shall, according to provisions of related laws, organize the shareholders, the relevant authority and related professionals to form a liquidation committee to carry out liquidation.</p> <p>Where the Company is dissolved according to the item (V) of Article 280 of the Articles of Association, the relevant department in charge shall organize the shareholders, the relevant authority and related professionals to form a liquidation committee to carry out liquidation.</p>
<p>Article 283 If the Board decides to liquidate the Company for any reason other than the Company’s declaration of its own insolvency, it shall state in the notice on convening a general meeting for this reason that it has made full investigation on the Company’s position and believes the Company is able to pay its debts in full within 12 months from the commencement of the liquidation.</p> <p>Upon the adoption of the resolution at the general meeting for the liquidation of the Company, all functions and powers of the Board shall cease immediately.</p> <p>The liquidation committee shall act in accordance with the instructions of the general meeting to make a report at least once every year to the general meeting on the income and expenses of the committee, the business of the Company and the progress of the liquidation; and present a final report to the general meeting on completion of the liquidation.</p>	<p>Deletion</p>

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<p>Article 286 After the liquidation committee has examined and taken possession of the assets of the Company and prepared a balance sheet and a property inventory, it shall formulate a liquidation proposal and submit it to the general meeting or the people’s court for confirmation.</p> <p>The Company shall, according to the class and proportion of the shares held by the shareholders, distribute the properties of the Company remaining after payment of the liquidation expenses, employees’ salaries, social insurance expenses and statutory compensations, outstanding taxes, and the Company’s debts.</p> <p>The Company shall subsist in the course of liquidation but shall not conduct any business operations unrelated to liquidation. Before liquidation as specified in the preceding paragraphs, the assets of the Company shall not be distributed to shareholders.</p>	<p>Article 248Article 286 After the liquidation committee has examined and taken possession of the assets of the Company and prepared a balance sheet and a property inventory, it shall formulate a liquidation proposal and submit it to the general meeting or the people’s court for confirmation.</p> <p>The Company shall, according to the class and proportion of the shares held by the shareholders, distribute the properties of the Company remaining after payment of the liquidation expenses, employees’ salaries, social insurance expenses and statutory compensations, outstanding taxes, and the Company’s debts.</p> <p>The Company shall subsist in the course of liquidation but shall not conduct any business operations unrelated to liquidation. Before liquidation as specified in the preceding paragraphs, the assets of the Company shall not be distributed to shareholders.</p>
<p>Article 288 Upon completion of liquidation, the liquidation committee shall prepare a liquidation report, revenue and expenditure report in the liquidation period and accounting books and submit the same to the general meeting or the people’s court for confirmation after verification by Chinese certified public accountant. Within thirty days from the confirmation date of the general meeting or the people’s court, the liquidation committee shall submit the aforesaid report to the company registration authority, apply for deregistration of the Company and announce termination of the Company.</p>	<p>Article 250Article 288 Upon completion of liquidation, the liquidation committee shall prepare a liquidation report, revenue and expenditure report in the liquidation period and accounting books and submit the same to the general meeting or the people’s court for confirmation after verification by Chinese certified public accountant. Within thirty days from the confirmation date of the general meeting or the people’s court, the liquidation committee, and shall submit the aforesaid report to the company registration authority, apply for deregistration of the Company and announce termination of the Company.</p>

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<p>Article 296 If the amendment to the Articles of Association involves the content of the Mandatory Provisions, it will take effect after being approved by the company approval authority authorized by the State Council and the securities regulatory authority of the State Council (if applicable); if company registration is involved, change shall be registered according to law.</p>	<p>Article 258Article 296 If the amendment to the Articles of Association involves the content of the Mandatory Provisions, it will take effect after being approved by the company approval authority authorized by the State Council and the securities regulatory authority of the State Council (if applicable); if company registration matters is involved, such change shall be registered according to law.</p>
<p>Chapter 13 Dispute Resolution</p>	<p>Deletion</p>

Apart from the above amendments and the addition/removal of articles, and the subsequent reordering of articles resulting from such amendments and addition/removal of articles, other articles of the Articles of Association shall remain unchanged.

The full text of the Proposed Amendments to the Articles of Association were prepared in the Chinese language. In the event of any discrepancy between the English translation and the Chinese version, the Chinese version shall prevail.

The proposed amendments to the Rules of Procedure for Shareholders' Meetings are as follows:

Original Articles	Amended Articles
<p>Article 1 In order to clarify the responsibility and authority of a general meeting (hereinafter referred to as “the general meeting”) of WuXi AppTec Co., Ltd., regulate the procedures of the general meeting of the Company, protect the legal rights and interests of the shareholders, and ensure the efficient exercise of voting rights among shareholders, the Company has formulated these rules of procedures in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as “the Company Law”), the Securities Law of the People’s Republic of China, the Code of Corporate Governance for Listed Companies, the Guidelines for the Articles of Association of Listed Companies, the Rules Governing General Meetings of Listed Companies (hereinafter referred to as “the Rules of General Meetings”), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas, the Letter for Comments on the Amendments to Articles of Association of Companies Listed in Hong Kong (Zheng Jian Hai Han [1995] No. 1), the Approval on Matters including Adjustments to Notice Period for Convening the General Meeting Applicable to Companies Listed Overseas issued by the State Council (Guo Han [2019] No. 97), the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as “Hong Kong Listing Rules”) and other relevant laws and regulations, regulatory documents and the Articles of Association of WuXi AppTec Co., Ltd. (hereinafter referred to as “Articles of Association”) of WuXi AppTec Co., Ltd.</p>	<p>Article 1 In order to clarify the responsibility and authority of a general meeting (hereinafter referred to as “the general meeting”) of WuXi AppTec Co., Ltd., regulate the procedures of the general meeting of the Company, protect the legal rights and interests of the shareholders, and ensure the efficient exercise of voting rights among shareholders, the Company has formulated these rules of procedures in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as “the Company Law”), the Securities Law of the People’s Republic of China, the Code of Corporate Governance for Listed Companies, the Guidelines for the Articles of Association of Listed Companies, the Rules Governing General Meetings of Listed Companies (hereinafter referred to as “the Rules of General Meetings”), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas, the Letter for Comments on the Amendments to Articles of Association of Companies Listed in Hong Kong (Zheng Jian Hai Han [1995] No. 1), the Approval on Matters including Adjustments to Notice Period for Convening the General Meeting Applicable to Companies Listed Overseas issued by the State Council (Guo Han [2019]No. 97), the <u>Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies</u>, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as “Hong Kong Listing Rules”) and other relevant laws and regulations, regulatory documents and the Articles of Association of WuXi AppTec Co., Ltd. (hereinafter referred to as “Articles of Association”) of WuXi AppTec Co., Ltd.</p>

<p>Article 15 For general meeting convened by the Supervisory Committee or shareholders, the necessary expenses incurred from convening such meeting shall be borne by the Company, and these expenses shall be deduced from the payables from the Company to the directors who have failed in their duties.</p>	<p>Article 15 For general meeting convened by the Supervisory Committee or shareholders, the necessary expenses incurred from convening such meeting shall be borne by the Company; and these expenses shall be deduced from the payables from the Company to the directors who have failed in their duties.</p>
<p>Article 19 No matters not stated in the notice shall be resolved at a general meeting.</p>	<p>Deletion</p>

<p>Article 22 The notice of a general meeting shall meet the following requirements:</p> <ul style="list-style-type: none"> (I) provide notification in writing; (II) time, venue and duration of the designated meeting; (III) specify the matters and proposals to be submitted at the meeting for consideration and approval; (IV) provide shareholders with the information and explanations necessary to make informed decisions regarding the matters to be discussed. This principle includes, but is not limited to, providing specific terms and contracts (if any) of proposed transactions when the Company proposes mergers, share buybacks, capital restructurings, or other reorganizations, along with a thorough explanation of their causes and consequences; (V) if any directors, supervisors, presidents (chief executive officers), and other senior management personnel have a significant interest in the matters to be discussed, the nature and extent of their interests shall be disclosed. If the impact of the matters to be discussed on such directors, supervisors, presidents (chief executive officers), and other senior management personnel as shareholders differs from the impact on other shareholders of the same category, this difference shall be clarified; 	<p>Article 2221 The notice of a general meeting shall meet the following requirements <u>include</u>:</p> <ul style="list-style-type: none"> (I) provide notification in writing <u>time, venue and duration of the meeting</u>; (II) time, venue and duration of the designated meeting; <u>specify the matters and proposals to be submitted at the meeting for consideration and approval</u>; (III) specify the matters and proposals to be submitted at the meeting for consideration and approval; (IV) provide shareholders with the information and explanations necessary to make informed decisions regarding the matters to be discussed. This principle includes, but is not limited to, providing specific terms and contracts (if any) of proposed transactions when the Company proposes mergers, share buybacks, capital restructurings, or other reorganizations, along with a thorough explanation of their causes and consequences; (V) if any directors, supervisors, presidents (chief executive officers), and other senior management personnel have a significant interest in the matters to be discussed, the nature and extent of their interests shall be disclosed. If the impact of the matters to be discussed on such directors, supervisors, presidents (chief executive officers), and other senior management personnel as shareholders differs from the impact on other shareholders of the same category, this difference shall be clarified;
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<p>(VI) include the full text of any special resolution to be proposed at the meeting for approval;</p>	<p>(VI) include the full text of any special resolution to be proposed at the meeting for approval;</p>
<p>(VII) clearly state that all shareholders have the right to attend the general meeting and may appoint a proxy in writing to attend and vote at the meeting on their behalf, and the proxy may not be a shareholder of the Company;</p>	<p>(VII)<u>(III)</u> clearly state that all shareholders have the right to attend the general meeting and may appoint a proxy in writing to attend and vote at the meeting on their behalf, and the proxy may not be a shareholder of the Company;</p>
<p>(VIII) specify the time and address for the delivery of proxy forms for voting at the meeting;</p>	<p>(VIII) specify the time and address for the delivery of proxy forms for voting at the meeting;</p>
<p>(IX) appoint the shareholding record date for shareholders entitled to attend the general meeting; the interval between the shareholding record date and the date of the meeting shall not be more than seven working days. The shareholding record date shall not be changed once determined;</p>	<p>(IX)<u>(IV)</u> appoint the shareholding record date for shareholders entitled to attend the general meeting; the interval between the shareholding record date and the date of the meeting shall not be more than seven working days. The shareholding record date shall not be changed once determined;</p>
<p>(X) provide the name and telephone number of a regular contact person for the meeting;</p>	<p>(X)<u>(V)</u> provide the name and telephone number of a regular contact person for the meeting;</p>
<p>(XI) the time and procedures for voting via the internet or other methods.</p>	<p>(XI)<u>(VI)</u> the time and procedures for voting via the internet or other methods.</p>

<p>Article 23 Unless otherwise specified in the laws, administrative regulations, the listing rules of the stock exchange in the place where the stocks of the Company are listed or the Articles of Association, the notice of a general meeting shall be sent out to shareholders (whether they have voting rights at the general meeting or not) by a specific person or by post-paid mail. The addresses of the recipients are subject to the addresses registered in the register of shareholders. For shareholders of domestic shares, the notice of a general meeting may also be sent out in form of announcement.</p> <p>The announcement stated in the preceding paragraph shall be published on one or multiple periodicals designated by the securities regulatory authority of the State Council, the website of Shanghai Stock Exchange and any media satisfying the requirements prescribed by the securities regulatory authority of the State Council. Once the announcement is published, it shall be deemed that all the shareholders of domestic shares have received the notice of the general meeting.</p> <p>Under the precondition of conforming to relevant provisions of laws and regulations, meeting the requirements of the listing rules of the stock exchange in the place where the stocks of the Company are listed and performing relevant procedures, the Company may also send the notice of a general meeting to shareholders of overseas listed foreign shares listed in Hong Kong (hereinafter referred to as “H shares”) of the Company by means of publishing the notice on the website of the Company and the websites designated by HKEX or in other ways permitted by Hong Kong Listing Rules and the Articles of Association, instead of sending the notice to H-share shareholders by a specific person or by post-paid mail.</p>	Deletion
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<p>Article 26 The Company shall convene the general meeting at the domicile of the Company or the venue specified in the Articles of Association.</p> <p>The general meeting shall be held by way of combination of physical meeting and online poll. Shareholders participating in the general meeting in the aforementioned manner shall be deemed as being present.</p> <p>Any shareholder entitled to attend and vote at a general meeting may attend in person and exercise voting rights or may appoint one or several persons (who may not be shareholders) as his/her proxy(ies) to attend and exercise his/her voting rights within the scope of authorization. The appointed proxy(ies) may, pursuant to the instructions of the shareholder, exercise the following rights:</p> <p>(I) the right which the shareholder has to speak at the general meeting;</p> <p>(II) the right to demand a poll alone or jointly with others;</p> <p>(III) the right to exercise voting rights, provided that where more than one proxy is appointed, the proxy(ies) may only exercise such voting rights on a poll.</p> <p>...</p>	<p>Article 26²⁶²⁴ The Company shall convene the general meeting at the domicile of the Company or the venue specified in the Articles of Association.</p> <p>The general meeting shall be held by way of combination of physical meeting and online poll. Shareholders participating in the general meeting in the aforementioned manner shall be deemed as being present.</p> <p>Any shareholder entitled to attend and vote at a general meeting may attend in person and exercise voting rights or may appoint one or several persons (who may not be shareholders) as his/her proxy(ies) to attend and exercise voting rights within the scope of authorization. The appointed proxy(ies) may, pursuant to the instructions of the shareholder, exercise the following rights:</p> <p>(I) the right which the shareholder has to speak at the general meeting;</p> <p>(II) the right to demand a poll alone or jointly with others;</p> <p>(III) the right to exercise voting rights, provided that where more than one proxy is appointed, proxy(ies) can only exercise such voting rights on a poll.</p> <p>...</p>
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<p>Article 31 The shareholder shall appoint a proxy in writing, which shall be signed by the principal or his/her proxy appointed in writing. If the principal is a corporate shareholder, the instrument shall be affixed with the corporate seal or signed by its director or duly appointed proxy.</p> <p>The power of attorney by which a shareholder appoints another person to attend the general meeting on his/her behalf shall include:</p> <ul style="list-style-type: none"> (I) the name of the proxy; (II) the number of shares represented by the proxy; (III) whether the proxy has voting rights; (IV) separate instructions as to whether to vote for “for” or “against”, or “abstained” from voting on, each item on the agenda of the general meeting as an item for consideration thereat; (V) the date of issuance and terms of validity of the power of attorney; (VI) the signature (or seal) of the principal. If the principal is a corporate shareholder, the corporate seal shall be affixed. <p>The power of attorney that the Board gives to a shareholder shall allow the shareholder to freely direct his/her proxy to vote “for” or “against” or “abstained”, and to give separate instruction with respect to the voting for each item on the agenda. The power of attorney shall note that where no direction from the shareholder is available, the proxy may vote at his/her own discretion.</p>	<p>Article 31 Article 3129 The shareholder shall appoint a proxy in writing, which shall be signed by the principal or his/her proxy appointed in writing. If the principal is a corporate shareholder, the instrument shall be affixed with the corporate seal or signed by its director or duly appointed proxy.</p> <p>The power of attorney by which a shareholder appoints another person to attend the general meeting on his/her behalf shall include:</p> <ul style="list-style-type: none"> (I) the name of the proxy; (II) the number of shares represented by the proxy; (III) whether the proxy has voting rights; (IV) separate instructions as to whether to vote for “for” or “against”, or “abstained” from voting on, each item on the agenda of the general meeting as an item for consideration thereat; (V) the date of issuance and terms of validity of the power of attorney; (VI) the signature (or seal) of the principal. If the principal is a corporate shareholder, the corporate seal shall be affixed. <p>The power of attorney that the Board gives to a shareholder shall allow the shareholder to freely direct his/her proxy to vote “for” or “against” or “abstained”, and to give separate instruction with respect to the voting for each item on the agenda. The power of attorney shall note that where no direction from the shareholder is available, the proxy may vote at his/her own discretion.</p>
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<p>Article 46 The following matters shall be approved by ordinary resolutions at a general meeting:</p> <p>(I) work reports of the Board and the Supervisory Committee;</p> <p>(II) the Company's profit distribution plan (excluding the circumstances stated in Article 245 (IV) of the Articles of Association) and loss recovery plan;</p> <p>...</p>	<p>Article 464 The following matters shall be approved by ordinary resolutions at a general meeting:</p> <p>(I) work reports of the Board and the Supervisory Committee;</p> <p>(II) the Company's profit distribution plan (excluding the circumstances stated in Article 245 (IV) of the Articles of Association) and loss recovery plan;</p> <p>...</p>
<p>Article 47 The following matters shall be approved by special resolutions at a general meeting:</p> <p>(I) increase or decrease of the registered capital of the Company and issuance of any class of stocks, stock warrants and other similar securities;</p> <p>(II) issuance of corporate bonds;</p> <p>...</p> <p>(IX) the profit distribution plan in accordance with Article 245 (IV) of the Articles of Association;</p> <p>...</p>	<p>Article 475 The following matters shall be approved by special resolutions at a general meeting:</p> <p>(I) increase or decrease of the registered capital of the Company and issuance of any class of stocks, stock warrants and other similar securities;</p> <p>(II) issuance of corporate bonds;</p> <p>...</p> <p>(IX) <u>make adjustment to the profit distribution plan in accordance with Article 245 (IV) of the Articles of Association;</u></p> <p>...</p>

<p>Article 49 ...</p> <p>Votes for medium and small investors shall be separately counted when any material matter affecting their interests is considered at the general meeting. The separate counting results shall be disclosed in a timely manner and publicly in accordance with relevant laws, regulations and the listing rules of the stock exchange in the place where the stocks of the Company are listed.</p> <p>Any material matter affecting the interests of medium and small investors mentioned in the preceding paragraph refers to any matter on which the independent directors shall provide independent opinions, and the aforesaid medium and small investors are shareholders other than the Company's directors, supervisors, senior management officers and shareholder(s) severally or jointly holding more than 5% (inclusive) shares of the Company.</p> <p>...</p>	<p>Article 497 ...</p> <p>Votes for medium and small investors shall be separately counted when any material matter affecting their interests is considered at the general meeting. The separate counting results shall be disclosed in a timely manner and publicly in accordance with relevant laws, regulations and the listing rules of the stock exchange in the place where the stocks of the Company are listed.</p> <p>Any material matter affecting the interests of medium and small investors mentioned in the preceding paragraph refers to any matter on which the independent directors shall provide independent opinions, and tThe aforesaid medium and small investors are shareholders other than the Company's directors, supervisors, senior management officers and shareholder(s) severally or jointly holding more than 5% (inclusive) shares of the Company.</p> <p>...</p>
<p>Article 51 ...</p> <p>Cumulative voting system shall be adopted if a single shareholder and its parties in concert are interested in 30% or above of the shares of the Company.</p>	<p>Article 5149 ...</p> <p>Cumulative voting system shall be adopted if a single shareholder and its parties in concert are interested in 30% or above of the shares of the Company, <u>or when two or more independent directors were elected at the general meeting.</u></p>

<p>Article 56 Unless a poll is required pursuant to the listing rules of the stock exchange on which the shares of the Company are listed and/or applicable laws, regulations and provisions require otherwise, or unless any of the following persons requests a poll before or after voting by show of hands, votes at the general meeting shall be taken by show of hands:</p> <p>(I) the chairman of the meeting;</p> <p>(II) at least two shareholders with voting rights or proxies of shareholders with voting rights;</p> <p>(III) one or several shareholders (including their proxies) who hold, individually or collectively, more than 10% (inclusive) of the shares carrying the right to vote at the meeting.</p> <p>Unless a poll is requested, the chairman of the meeting may declare the result of voting by show of hands, and whether the proposal concerned has been passed or not, and have the information included in the minutes of the meeting as the final evidence, without proving the number or percentage of votes in favor or against the proposal concerned.</p> <p>The demand for a poll may be withdrawn by the person who made it.</p>	<p>Deletion</p>
<p>Addition</p>	<p><u>Article 54 At any general meeting, voting shall be conducted by open poll.</u></p>

<p>Article 59 Where there is an equality of votes cast both for and against a resolution, the shareholder who act as the chairman of the meeting shall have the right to cast one more vote.</p>	<p>Deletion</p>
<p>Article 62 The conclusion time of the general meeting shall not be earlier than that of the meeting accessible online or via other methods. The chairman of the meeting shall announce the status and results of voting in respect of each proposed resolution, and whether or not such proposed resolution has been passed according to such voting results.</p> <p>Prior to the formal announcement of the voting results, the relevant parties including the companies, the persons responsible for counting votes and scrutinizing the conduct of the relevant poll, the notary solicitors, the major shareholders, and the internet service provider in relation to voting at the general meeting, online voting or other voting methods, shall be obliged to keep the status of voting confidential.</p>	<p>Article 6259 The conclusion time of the general meeting shall not be earlier than that of the meeting accessible online or via other methods. The chairman of the meeting shall announce <u>determine whether or not a proposed resolution has been passed according to the status and results of voting in respect of each proposed resolution, and whether or not such proposed resolution has been passed according to such voting results.</u></p> <p>Prior to the formal announcement of the voting results, the relevant parties including the companies, the persons responsible for counting votes and scrutinizing the conduct of the relevant poll, the notary solicitors, the major shareholders, and the internet service provider in relation to voting at the general meeting, online voting or other voting methods, shall be obliged to keep the status of voting confidential.</p>

<p>Article 66 If the chairman of the general meeting has any doubts about the results of the resolutions submitted for voting, he/she may conduct a recount of the votes cast. If the chairman does not conduct a recount and any shareholders or proxies of shareholders present at the meeting disagree with the results announced by the chairman, they shall have the right to immediately request a recount after the announcement of the voting results. The chairman of the general meeting shall conduct the recount immediately.</p> <p>If a recount is conducted at a general meeting, the results shall be recorded in the minutes.</p>	<p>Article 6663 If the chairman of the general meeting has any doubts about the results of the resolutions submitted for voting, he/she may conduct a recount of the votes cast. If the chairman does not conduct a recount and any shareholders or proxies of shareholders present at the meeting disagree with the results announced by the chairman, they shall have the right to immediately request a recount after the announcement of the voting results. The chairman of the general meeting shall conduct the recount immediately.</p> <p>If a recount is conducted at a general meeting, the results shall be recorded in the minutes.</p>
<p>Article 81 Copies of the meeting minutes shall be made available to the shareholders at no cost during the office hours of the Company. If a shareholder requests a copy of the minutes from the Company, the Company shall be obliged to provide the same within seven days upon receipt of a reasonable fee.</p>	<p>Deletion</p>

Apart from the above amendments and the addition/removal of articles, and the subsequent reordering of articles resulting from such amendments and addition/removal of articles, other articles of the Rules of Procedure for Shareholders' Meetings remain unchanged.

The full text of the proposed amendments to the Rules of Procedure for Shareholders' Meetings were prepared in the Chinese language. In the event of any discrepancy between the English translation and the Chinese version, the Chinese version shall prevail.

The proposed amendments to the Rules of Procedure for Board Meetings are as follows:

Original Articles	Amended Articles
<p>Article 1 Article 1 In order to regulate the transaction of business and decision-making procedures of the Board of Directors (the “Board”) of WuXi AppTec Co., Ltd. (the “Company”), facilitate the Directors and the Board to effectively perform their duties, and enhance the standardised operation and scientific decision-making of the Board, the Company has formulated these Rules in accordance with relevant rules including the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), the Guidance on Articles of Association of Listed Company, the Code of Corporate Governance for Listed Companies, the Shanghai Stock Exchange Self-Regulatory Supervision Guidelines for Listed Companies No. 1 — Standardized Operation, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (the “SSE Listing Rules”), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas, the Letter on the Opinion Regarding the Supplemental Amendments to the Articles of Association of Companies Seeking a Listing in Hong Kong (Zheng Jian Hai Han [1995] No.1), the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”) and the Articles of Association of WuXi AppTec Co., Ltd. (the “Articles of Association”).</p>	<p>Article 1 Article 1 In order to regulate the transaction of business and decision-making procedures of the Board of Directors (the “Board”) of WuXi AppTec Co., Ltd. (the “Company”), facilitate the Directors and the Board to effectively perform their duties, and enhance the standardised operation and scientific decision-making of the Board, the Company has formulated these Rules in accordance with relevant rules including the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), the Guidance on Articles of Association of Listed Company, the Code of Corporate Governance for Listed Companies, <u>the Shanghai Stock Exchange Self-Regulatory Supervision Guidelines for Listed Companies No. 1 — Standardized Operation, the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies, the Measures for the Administration of Independent Directors of Listed Companies,</u> the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (the “SSE Listing Rules”), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas, the Letter on the Opinion Regarding the Supplemental Amendments to the Articles of Association of Companies Seeking a Listing in Hong Kong (Zheng Jian Hai Han [1995] No.1), <u>the Shanghai Stock Exchange Self-Regulatory Supervision Guidelines for Listed Companies No. 1 — Standardized Operation,</u> the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”) and the Articles of Association of WuXi AppTec Co., Ltd. (the “Articles of Association”).</p>

<p>Article 3 The Board shall comprise 13 directors, including 5 independent directors.</p> <p>The Board shall have one chairman, and may have one vice chairman.</p> <p>The composition of the Board shall be in compliance with laws and regulations and have reasonable professional structure. The members of the Board shall acquire necessary knowledge, techniques and qualification for performing the duties. The Company shall encourage diversified composition of the Board.</p>	<p>Article 3 The Board shall comprise <u>12 to 13</u> directors, including 5 <u>of which independent directors shall be at least one-third of all directors.</u></p> <p>The Board shall have one chairman, and may have one vice chairman.</p> <p>The composition of the Board shall be in compliance with laws and regulations and have reasonable professional structure. The members of the Board shall acquire necessary knowledge, techniques and qualification for performing the duties. The Company shall encourage diversified composition of the Board.</p>
<p>Article 4 The Board shall exercise the following functions and powers:</p> <p>.....</p> <p>The listed company shall ensure the Board exercise its functions in compliance with laws and regulations and provisions of the Articles of Association, and provide necessary conditions for directors in the normal performance of their duties.</p>	<p>Article 4 The Board shall exercise the following functions and powers:</p> <p>.....</p> <p>The listed <u>company</u> shall ensure the Board exercise its functions in compliance with laws and regulations and provisions of the Articles of Association, and provide necessary conditions for directors in the normal performance of their duties.</p>

<p>Article 5 When the Board proposes to dispose of fixed assets, if the expected value of such fixed assets intended for disposal, combined with the total value derived from the disposal of fixed assets within the four months prior to such proposed disposal, exceeds 33% of the value of fixed assets as shown in the latest balance sheet approved by the general meeting, the Board must not proceed with the disposal or agree to dispose of the fixed assets without the consent of the general meeting.</p> <p>The disposal of fixed assets mentioned in this article includes the of transfer of specific asset rights but does not cover the provision of fixed assets as collateral.</p> <p>The legitimacy of transactions related to the disposal of fixed assets by the Company remains unaffected by any breach of the stipulations set forth in the first paragraph of this article.</p>	<p>Deletion</p>
<p>Article 13 The chairman and vice chairman shall be directors, and shall be elected and removed by more than half of the directors of the Board.</p>	<p>Article 132 The chairman and vice chairman shall be directors, and shall be elected and removed by more than half of the directors of the Board.</p>

<p>Article 16 The Company shall have a secretary to the Board, who shall be a senior management officer of the Company nominated by the chairman, appointed by the Board and accountable to the Board, and shall report to the chairman or CEO.</p> <p>The secretary to the Board shall be responsible for the preparations for general meetings and Board meetings, keeping of documentation and shareholders’ data, information disclosure and other matters of the Company, etc., to ensure:</p> <p>(I) the Company has complete organizational documents and records;</p> <p>(II) the Company prepares and submits reports and documents required by competent authorities according to law;</p> <p>(III) the register of shareholders of the Company is properly established and the people entitled to access of relevant records and documents of the Company obtain relevant records and documents in time.</p> <p>The secretary to the Board act as the designated contact person between the Company and Shanghai Stock Exchange.</p> <p>The secretary to the Board shall observe the laws, administrative regulations, departmental rules, the listing rules of the stock exchange in the place where the stocks of the Company are listed and the Articles of Association. The working rules of secretary to the Board shall be formulated separately by the Board.</p>	<p>Article 16⁵ The Company shall have a secretary to the Board, who shall be a senior management officer of the Company nominated by the chairman, appointed by the Board and accountable to the Board, and shall report to the chairman or CEO.</p> <p>The secretary to the Board shall be responsible for the preparations for general meetings and Board meetings, keeping of documentation and shareholders’ data, information disclosure, <u>investor relations management</u> and other matters of the Company, etc., to ensure:</p> <p>(I) the Company has complete organizational documents and records;</p> <p>(II) the Company prepares and submits reports and documents required by competent authorities according to law;</p> <p>(III) the register of shareholders of the Company is properly established and the people entitled to access of relevant records and documents of the Company obtain relevant records and documents in time.</p> <p>The secretary to the Board act as the designated contact person between the Company and Shanghai Stock Exchange.</p> <p>The secretary to the Board shall observe the laws, administrative regulations, departmental rules, the listing rules of the stock exchange in the place where the stocks of the Company are listed and the Articles of Association. The working rules of secretary to the Board shall be formulated separately by the Board.</p>
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<p>Article 21 The Board shall convene an extraordinary meeting in any of the following circumstances:</p> <p>(I) When proposed by shareholders representing more than one-tenth of the voting rights;</p> <p>(II) When jointly proposed by more than one-third of the directors;</p> <p>(III) When proposed by the Supervisory Committee;</p> <p>(IV) When deemed necessary by the chairman;</p> <p>(V) When proposed by more than half of the independent directors;</p> <p>(VI) When proposed by the president (CEO);</p> <p>(VII) When required by the securities regulatory authority;</p> <p>(VIII) Other situations as stipulated by the Articles of Association.</p>	<p>Article 201 The Board shall convene an extraordinary meeting in any of the following circumstances:</p> <p>(I) When proposed by shareholders representing more than one-tenth of the voting rights;</p> <p>(II) When jointly proposed by more than one-third of the directors;</p> <p>(III) When proposed by the Supervisory Committee;</p> <p>(IV) When deemed necessary by the chairman;</p> <p>(V) When proposed by <u>majority</u> more than half of the independent directors;</p> <p>(VI) When proposed by the president (CEO);</p> <p>(VII) When required by the securities regulatory authority;</p> <p>(VIII)<u>(VII)</u> Other situations as stipulated by the Articles of Association.</p>
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<p>Article 25 Content of the Notice of Meeting</p> <p>.....</p> <p>Verbal notice shall at least include the information of the aforesaid items (I), (II) and (III) and the explanations on holding the extraordinary meeting of the Board under emergency situations. Where two or more independent directors consider that the information provided is insufficient or the proof is not enough, they may jointly write to the Board to postpone to convene the Board meeting or postpone the discussion of the issues, the Board shall duly accept and disclose the relevant circumstances in a timely manner.</p>	<p>Article 2524 Content of the Notice of Meeting</p> <p>.....</p> <p>Verbal notice shall at least include the information of the aforesaid items (I), (II) and (III) and the explanations on holding the extraordinary meeting of the Board under emergency situations. Where two or more independent directors consider that the information provided is insufficient or, the proof is not enough <u>or the information is not provided in a timely manner</u>, they may jointly write to the Board to postpone to convene the Board meeting or postpone the discussion of the issues, the Board shall duly accept and disclose the relevant circumstances in a timely manner.</p>
<p>Article 33 Voting at Meetings</p> <p>Following comprehensive deliberation of each proposal, the chairman shall promptly initiate a vote among the present directors.</p> <p>Voting at Board meetings adheres to the principle of one director, one vote. Should there be an equal number of votes for and against, the chairman shall has the right to cast an additional deciding vote. Available voting methods shall include registered and written ballots. To guarantee directors have sufficient opportunity to express their views, temporary Board meetings may enact resolutions through means of communication, with the participating directors providing their signatures on the decisions.</p> <p>.....</p>	<p>Article 3332 Voting at Meetings</p> <p>Following comprehensive deliberation of each proposal, the chairman shall promptly initiate a vote among the present directors.</p> <p>Voting at Board meetings adheres to the principle of one director, one vote. Should there be an equal number of votes for and against, the chairman shall has the right to cast an additional deciding vote. Available voting methods shall include registered and written ballots. To guarantee directors have sufficient opportunity to express their views, temporary Board meetings may enact resolutions through means of communication, with the participating directors providing their signatures on the decisions.</p> <p>.....</p>

<p>Article 35 Formation of resolutions</p> <p>Except for items (VI), (VII), (XII) and other matters stipulated by the laws, administrative regulations, departmental rules, the listing rules of the stock exchange where the stocks of the Company are listed and the Articles of Association, resolutions by the Board on the matters stated in Article 4 shall be passed by over two-thirds of the Directors while other matters may be approved by the votes of more than half of all Directors.</p> <p>.....</p>	<p>Article 35<u>34</u> Formation of resolutions</p> <p>Except for items (VI), (VII), (XII) and other matters stipulated by the laws, administrative regulations, departmental rules, the listing rules of the stock exchange where the stocks of the Company are listed and the Articles of Association, resolutions by the Board on the matters stated in Article 4 shall be passed by over two-thirds of the Directors while other matters may be approved by the votes of more than half of all Directors.</p> <p>.....</p>
<p>Article 43 Minutes</p> <p>The secretary to the Board shall arrange staff of the office of the Board to take minutes of Board meetings. The minutes of the Board meetings shall be true, accurate and complete. The minutes shall specify:</p> <p>.....</p> <p>(VII) other issues that the attending directors think should be recorded.</p>	<p>Article 43<u>42</u> Minutes</p> <p>The secretary to the Board shall arrange staff of the office of the Board to take minutes of Board meetings. The minutes of the Board meetings shall be true, accurate and complete. The minutes shall specify:</p> <p>.....</p> <p>(VII) <u>the opinions of independent Directors;</u></p> <p><u>(VIII)</u> other issues that the attending directors think should be recorded.</p>

Apart from the above amendments and the addition/removal of articles, and the subsequent reordering of articles resulting from such amendments and addition/removal of articles, other articles of the Rules of Procedure for Board Meetings remain unchanged.

The full text of the proposed amendments to the Rules of Procedure for Board Meetings were prepared in the Chinese language. In the event of any discrepancy between the English translation and the Chinese version, the Chinese version shall prevail.

The proposed amendments to the Connected Transactions Management Policy are as follows:

Original Articles	Amended Articles
<p>Article 4 The Board of the Company may delegate the Audit Committee to perform duties of overseeing and supervising connected transactions.</p>	<p>Deletion</p>
<p>Article 26 Where the Company intends to enter into a major connected transaction with a connected person (except for transactions which are exempted from approval and disclosure requirements under relevant rules), it shall submit the proposal to the Board for consideration and approval after receiving prior approval of independent directors. Independent directors may engage an independent financial advisor to issue a special report for their consideration before making a judgment.</p>	<p>Article 265 Where the Company intends to enter into a major connected transaction with a connected person (except for transactions which are exempted from approval and disclosure requirements under relevant rules), it shall submit the proposal to the Board for consideration and approval after receiving prior <u>upon approval by more than half of all the</u> independent directors. Independent directors may engage an independent financial advisor to issue a special report for their consideration before making a judgment.</p>

<p>Article 35 The Company shall submit the following documents to the SSE at the time of disclosure of the connected transaction of the Company in accordance with the business rules of the SSE:</p> <p>(I) a draft of the announcement;</p> <p>(II) an agreement or a letter of intent in relation to such transaction (if applicable); a draft of the resolutions of the Board or the announcement of the resolutions of the Board; a letter of approval for the transaction from the competent authority (if applicable); a special report issued by a securities service institution (if applicable);</p> <p>(III) a prior written approval for the transaction by the independent directors;</p> <p>(IV) opinions of independent directors;</p> <p>(V) other documents requested by the SSE.</p>	<p>Article 354 The Company shall submit the following documents to the SSE at the time of disclosure of the connected transaction of the Company in accordance with the business rules of the SSE:</p> <p>(I) a draft of the announcement;</p> <p>(II) an agreement or a letter of intent in relation to such transaction (if applicable); a draft of the resolutions of the Board or the announcement of the resolutions of the Board; a letter of approval for the transaction from the competent authority (if applicable); a special report issued by a securities service institution (if applicable);</p> <p>(III) a prior written approval <u>document for the transaction</u> by <u>more than half of all the</u> independent directors;</p> <p>(IV) opinions of independent directors;</p> <p>(V) other documents requested by the SSE.</p>
<p>Article 37 The Company shall disclose major related transactions based on the transaction types that occurred during the reporting period as significant events in the annual and interim reports in accordance with the operation rules and format guidelines of the stock exchange where the shares of the Company are listed.</p>	<p>Article 376 The Company shall disclose <u>different types of</u> major related transactions based on the transaction types that occurred during the reporting period as significant events in the annual and interim reports in accordance with the operation rules and format guidelines of the stock exchange where the shares of the Company are listed.</p>

<p>Article 43 Ongoing ordinary related party transaction agreements that have been reviewed and approved by either the General Meeting or the Board, and are currently being executed without significant changes to their main terms, must be disclosed by the Company in its annual and interim reports as required. These disclosures shall detail the actual execution of each agreement and verify whether they conform to the terms of the agreement. Should there be significant modifications to the main terms during the execution of an agreement or if an agreement requires renewal upon its expiry, the Company shall be obligated to submit the amended or renewed ordinary related party transaction agreements for review by either the Board or the General Meeting, depending on the total transaction value involved in the agreement. Any agreement without a specified total transaction value shall be submitted to the General Meeting for review and approval.</p>	<p>Article 43⁴² Ongoing ordinary related party transaction agreements that have been reviewed and approved by either the General Meeting or the Board, and are currently being executed without significant changes to their main terms, must be disclosed by the Company in its annual and interim reports as required. These disclosures shall detail the actual execution of each agreement and verify whether they conform to the terms of the agreement. Should there be significant modifications to the main terms during the execution of an agreement or if an agreement requires renewal upon its expiry, the Company shall be is obligated to submit the amended or renewed ordinary related party transaction agreements for review by either the Board or the General Meeting, depending on the total transaction value involved in the agreement. Any agreement without a specified total transaction value shall be submitted to the General Meeting for review and approval.</p>
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<p>Article 48 For major connected transactions subject to the approval of the general meeting in which the deal price of the assets of the connected person the Company intends to purchase has a premium of over 100% as compared to the carrying value of the transaction target, the Company shall provide Internet voting or other convenient voting means for shareholders to attend the general meeting and shall comply with the special requirements for such transactions specified by the CSRC and business rules of the stock exchanges where the stocks of the Company are listed. If the counterparty fails to provide any profit guarantee, indemnity undertaking or repurchase commitment of the transaction target within a specified period, the Company shall make announcement on the specific reasons, whether it has taken any relevant safeguard measures and whether it is conducive to protecting the interests of the Company and the legitimate rights and interests of minority shareholders.</p> <p>The profit forecast report relating to the assets the Company intends to purchase submitted in accordance with the business rules of the CSRC and the stock exchanges where the stocks of the Company are listed shall be audited by a qualified accounting firm under the Securities Law.</p>	<p>Article 487 For major connected transactions subject to the approval of the general meeting in which the deal price of the assets of the connected person the Company intends to purchase has a premium of over 100% as compared to the carrying value of the transaction target, the Company shall provide Internet voting or other convenient voting means for shareholders to attend the general meeting and shall comply with the special requirements for such transactions specified by the CSRC and business rules of the stock exchanges where the stocks of the Company are listed. If the counterparty fails to provide any profit guarantee, indemnity undertaking or repurchase commitment of the transaction target within a specified period, the Company shall make announcement on the specific reasons, whether it has taken any relevant safeguard measures and whether it is conducive to protecting the interests of the Company and the legitimate rights and interests of minority shareholders.</p> <p>The profit forecast report relating to the assets the Company intends to purchase submitted in accordance with the business rules of the CSRC and the stock exchanges where the stocks of the Company are listed shall be audited by a qualified accounting firm under the Securities Law.</p>
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<p>Article 49 The audit committee of the Company shall express its opinions on connected transactions which shall include the followings:</p> <p>(I) the basis of the opinions and the factors considered;</p> <p>(II) whether the pricing is fair and reasonable and whether it is in the interest of the Company and its shareholders as a whole;</p> <p>(III) advice to non-connected Directors and non-connected shareholders on approving or disapproving such connected transactions.</p> <p>The audit committee of the Company may appoint an independent financial advisor to issue a report for consideration before making any decisions.</p>	Deletion
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Apart from the above amendments and the addition/removal of articles, and the subsequent reordering of articles resulting from such amendments and addition/removal of articles, other articles of the Connected Transactions Management Policy remain unchanged.

The full text of the proposed amendments to the Connected Transactions Management Policy were prepared in the Chinese language. In the event of any discrepancy between the English translation and the Chinese version, the Chinese version shall prevail.

APPENDIX X PROPOSED AMENDMENTS TO EXTERNAL GUARANTEES AND PROVISION OF FINANCIAL ASSISTANCE POLICY

The proposed amendments to the External Guarantees and Provision of Financial Assistance Policy are as follows:

Original Articles	Amended Articles
<p>Article 15 In considering the provision of financial assistance, the Board shall prudently take into account any reasons for the provision of financial assistance and shall comprehensively assess the asset quality, operating conditions, industry prospects, solvency and credit standing of the target of assistance as well as the capabilities of guarantees and contractual capacities of the third parties. The Board also shall make prudent judgement on the risks and fairness of the financial assistance and the solvency of the target of the financial assistance.</p> <p>Independent directors of the Company shall express their independent opinions on the necessity, legality and compliance, fairness, impact on the rights and interests of the Company and its minority shareholders and potential risks of the provision of financial assistance.</p>	<p>Article 15 In considering the provision of financial assistance, the Board shall prudently take into account any reasons for the provision of financial assistance and shall comprehensively assess the asset quality, operating conditions, industry prospects, solvency and credit standing of the target of assistance as well as the capabilities of guarantees and contractual capacities of the third parties. The Board also shall make prudent judgement on the risks and fairness of the financial assistance and the solvency of the target of the financial assistance.</p> <p>Independent directors of the Company shall express their independent opinions on the necessity, legality and compliance, fairness, impact on the rights and interests of the Company and its minority shareholders and potential risks of the provision of financial assistance.</p>
<p>Article 27 The independent directors of the Company shall, in the annual report, give specific descriptions on the status of the outstanding external guarantees by the end of the reporting period and prevailing external guarantees of the Company as well as the status of executing the relevant guarantees requirements, and express independent opinions.</p>	<p>Deletion</p>

**APPENDIX X PROPOSED AMENDMENTS TO EXTERNAL GUARANTEES AND
PROVISION OF FINANCIAL ASSISTANCE POLICY**

Apart from the above amendments and the addition/removal of articles, and the subsequent reordering of articles resulting from such amendments and addition/removal of articles, other articles of the External Guarantees and Provision of Financial Assistance Management Policy remain unchanged.

The full text of the proposed amendments to the External Guarantees and Provision of Financial Assistance Policy were prepared in the Chinese language. In the event of any discrepancy between the English translation and the Chinese version, the Chinese version shall prevail.

The proposed amendments to the Management Measures on Raised Funds are as follows:

Original Articles	Amended Articles
<p>Article 1 In order to regulate the management and use of proceeds of WuXi AppTec Co., Ltd. (hereinafter referred to as “the Company”) and protect the rights and interests of investors, these measures are formulated in accordance with the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, the Administrative Measures for Initial Public Offering and Listing of Stocks, the Administrative Measures for the Issuance of Securities by Listed Companies, the Regulatory Guidelines for Listed Companies No. 2 — Regulatory Requirements for Management and Use of Funds Raised by Listed Companies, the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Regulations on Fund Raising of Listed Companies in the Shanghai Stock Exchange and the Articles of Association of WuXi AppTec Co., Ltd. (hereinafter referred to as “the Articles of Association”).</p>	<p>Article 1 In order to regulate the management and use of proceeds of WuXi AppTec Co., Ltd. (hereinafter referred to as “the Company”) and protect the rights and interests of investors, these measures are formulated in accordance with the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, the Administrative Measures for Initial Public Offering and Listing <u>Registration</u> of Stocks, the Administrative Measures for the Issuance and <u>Registration</u> of Securities by Listed Companies, the Regulatory Guidelines for Listed Companies No. 2 — Regulatory Requirements for Management and Use of Funds Raised by Listed Companies, the Rules Governing the Listing of Stocks on Shanghai Stock Exchange (<u>hereinafter referred to as the “SSE Listing Rules”</u>), the <u>Self-Regulation Guidelines</u> the Regulations on Fund Raising of Listed Companies in <u>of</u> the Shanghai Stock Exchange for Listed Companies No. 1 — <u>Standardized Operations</u> and the Articles of Association of WuXi AppTec Co., Ltd. (hereinafter referred to as “the Articles of Association”).</p>

<p>Article 2 The proceeds herein refer to the proceeds raised by the Company from investors through public issuance of securities (including initial public offering of stocks, rights issue, additional issuance, issuance of convertible corporate bonds and issuance of separately traded convertible corporate bonds) and private issuance of securities, excluding any proceeds raised by the Company through equity incentive plans.</p>	<p>Article 2 The proceeds herein refer to the proceeds raised by the Company from investors <u>for special purposes</u> through public-issuance of securities (including initial public offering of stocks, rights issue, additional issuance, issuance of convertible corporate bonds and issuance of separately traded convertible corporate bonds) and private issuance of securities <u>and their derivatives</u>, excluding any proceeds raised by the Company through equity incentive plans.</p>
<p>Article 6 The proceeds raised by the Company shall be deposited in a special account approved by the Board of Directors (hereinafter referred to as the “Special Account for Proceeds”) for centralized management. The Special Account for Proceeds shall not be used to deposit other funds or for other purposes.</p>	<p>Article 6 The proceeds raised by the Company shall be deposited in a special account approved by the Board of Directors (hereinafter referred to as the “Special Account for Proceeds”) for centralized management. The Special Account for Proceeds shall not be used to deposit other funds or for other purposes.</p> <p><u>If the Company undergoes financing more than twice, separate Special Accounts for Proceeds shall be established for each instance. Excess proceeds raised shall also be managed under the Special Accounts for Proceeds.</u></p>

<p>Article 7 The Company shall enter into an agreement on tripartite supervision of proceeds with the sponsor and the commercial bank where the proceeds are deposited (hereinafter referred to as the “Commercial Bank”) within one month after the proceeds are received. The agreement shall contain at least the following provisions:</p> <ul style="list-style-type: none"> (I) the Company shall centrally deposit the proceeds in the Special Account for Proceeds; (II) the Commercial Bank shall provide the Company a bank statement of the Special Account for Proceeds monthly and send the copy to the sponsor; (III) if a single withdrawal or cumulative withdrawals in 12 months from the Special Account for Proceeds exceeds RMB50 million and such amount reaches 20% of the net amount of total proceeds after deduction of issuance costs (hereinafter referred to as the “Net Proceeds”), the Company shall send a prompt notification to the sponsor; (IV) the sponsor shall have the right to inquire about the Special Account for Proceeds at the Commercial Bank at anytime; (V) the Company, the Commercial Bank and the sponsor shall be liable for any breach of the agreement. <p>The aforesaid agreement shall be submitted to the Shanghai Stock Exchange (hereinafter referred to as the “SSE”) for filing and announcement within two trading days after entering into the agreement.</p> <p>If the said agreement is terminated prematurely before the expiry date due to the change of sponsor or the Commercial Bank, the Company shall enter into a new agreement with the relevant parties within two weeks from the expiry date of the agreement, and issue an announcement upon reporting to the SSE for filing within two trading days after entering into the new agreement.</p>	<p>Article 7 The Company shall enter into an agreement on tripartite supervision of proceeds with the sponsor and the commercial bank where the proceeds are deposited (hereinafter referred to as the “Commercial Bank”) within one month after the proceeds are received and <u>issue an announcement in a timely manner.</u> The agreement shall contain at least the following provisions:</p> <ul style="list-style-type: none"> (I) the Company shall centrally deposit the proceeds in the Special Account for Proceeds; (II) the Commercial Bank shall provide the Company a bank statement of the Special Account for Proceeds monthly and send the copy to the sponsor; (III) if a single withdrawal or cumulative withdrawals in 12 months from the Special Account for Proceeds exceeds RMB50 million and such amount reaches 20% of the net amount of total proceeds after deduction of issuance costs (hereinafter referred to as the “Net Proceeds”), the Company shall send a prompt notification to the sponsor; (IV) the sponsor shall have the right to inquire about the Special Account for Proceeds at the Commercial Bank at anytime; (V) the Company, the Commercial Bank and the sponsor shall be liable for any breach of the agreement. <p>The aforesaid agreement shall be submitted to <u>the content required by applicable laws and regulations, and relevant rules of the Shanghai Stock Exchange (hereinafter referred to as the “SSE”) for filing and announcement within two trading days after entering into the agreement.</u></p> <p>If the said agreement is terminated prematurely before the expiry date due to the change of sponsor or the Commercial Bank, the Company shall enter into a new agreement with the relevant parties within two weeks from the expiry date of the agreement; and issue an announcement upon reporting to the SSE for filing within two trading days after entering into the new agreement <u>in a timely manner.</u></p>
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<p>Article 8 The Company shall comply with the following requirements in utilizing proceeds:</p> <p>(I) the Company shall set out clear provisions on the application, hierarchical approval authorization, decision-making procedures, risk control measures and information disclosure procedures for the use of proceeds;</p> <p>(II) the Company shall use the proceeds in accordance with the plan of utilizing proceeds as committed in the offering document;</p> <p>(III) in the event of any circumstances severely affecting the normal implementation of the plan for the use of the proceeds, the Company shall report to the SSE and issue an announcement in a timely manner;</p> <p>(IV) where any of the following circumstances occur to an investment project, the Company shall re-evaluate the feasibility and expected revenue of the project and decide whether to proceed with the implementation of the project. The latest periodic report shall also disclose the project progress, reasons for abnormality and the adjusted investment project (if any):</p> <ol style="list-style-type: none">1. where the market environment for the project has undergone material changes;2. where the investment project has been standing idle for over one year;3. where the deadline of the investment plan of the proceeds has expired and the amount invested by the proceeds fails to reach 50% of the amount as set out by the relevant plan;4. where other abnormal situations occur in the investment projects.	<p>Article 8 The Company shall comply with the following requirements in utilizing proceeds:</p> <p>(I) the Company shall set out clear provisions on the application, hierarchical approval authorization, decision-making procedures, risk control measures and information disclosure procedures for the use of proceeds;</p> <p>(II) the Company shall use the proceeds in accordance with the plan of utilizing proceeds as committed in the offering document;</p> <p>(III) in the event of any circumstances severely affecting the normal implementation of the plan for the use of the proceeds, the Company shall report to the SSE and issue an announcement in a timely manner;</p> <p>(IV) where any of the following circumstances occur to an investment project, the Company shall re-evaluate the feasibility and expected revenue of the project and decide whether to proceed with the implementation of the project. The latest periodic report shall also disclose the project progress, reasons for abnormality and the adjusted investment project (if any):</p> <ol style="list-style-type: none">1. where the market environment for the project has undergone material changes;2. where the investment project has been standing idle for over one year;3. where the deadline of the investment plan of the proceeds has expired and the amount invested by the proceeds fails to reach 50% of the amount as set out by the relevant plan;4. where other abnormal situations occur in the investment projects.
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<p>Added</p>	<p>Article 10 <u>The review and approval of the Board of Directors and the explicit consent of the Supervisory Committee and the sponsor or the independent financial advisor shall be required for the Company to:</u></p> <p>(I) <u>replace the self-raised funds previously invested into the investment project with the proceeds;</u></p> <p>(II) <u>use the temporarily idle proceeds for cash management;</u></p> <p>(III) <u>use the temporarily idle proceeds to replenish the working capital provisionally;</u></p> <p>(IV) <u>change the use of proceeds;</u></p> <p>(V) <u>use the Excess Proceeds for projects under construction and new projects.</u></p> <p><u>The change in the use of proceeds by the Company shall also be subject to the consideration and approval of the general meeting.</u></p> <p><u>Where any connected transaction, asset acquisition or external investment is involved, the review procedure and disclosure obligation shall be performed in accordance with the SSE Listing Rules and other relevant requirements.</u></p>
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<p>Article 10 If the Company pre-invests in the investment project with self-owned capital, it may, within six months after the receipt of the proceeds, use such proceeds for replacing the self-owned capital applied in such investment project. The replacement shall be reviewed and approved by the Board of Directors, with an assurance report issued by an accounting firm and the explicit consent of independent Directors, the Supervisory Committee and the sponsor. The Company shall report it to the SSE and issue an announcement within two trading days after the Board meeting.</p>	<p>Article 1011 If the Company pre-invests in the investment project with self-owned capital, it may, within six months after the receipt of the proceeds, use such proceeds for replacing the self-owned capital applied in such investment project. The replacement shall be reviewed and approved by the Board of Directors, with an assurance report issued by an accounting firm and the explicit consent of the independent Directors, the Supervisory Committee and the sponsor. The Company shall report it to the SSE and issue an announcement within two trading after the Board meeting.</p>
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<p>Article 11 The Company’s temporarily idle funds may be subject to cash management, and the products in which they are invested shall meet the following conditions:</p> <p>(I) high degree of security, fulfill the need of preserving principal and the issuing body of the product can provide the guarantee of principal preservation;</p> <p>(II) high liquidity, without affecting the normal implementation of the investment projects.</p> <p>The investment products shall not be pledged, and the product-specific settlement account (if applicable) shall not be used to deposit other funds or for other purposes. In case of opening or cancellation of a product-specific settlement account, the Company shall report to the SSE for filing and issue an announcement within two business days.</p>	<p>Article 112 The Company’s temporarily idle funds may be subject to cash management, and the <u>maturity of the investment products shall not exceed the duration authorized by the internal resolution and shall not be longer than 12 months.</u> The products in which they are invested shall meet the following conditions:</p> <p>(I) high degree of security, <u>such as structured deposit and large-denomination certificates of deposit and other highly-secured</u> fulfill the need of preserving principal-guaranteed products and the issuing body of the product can provide the guarantee of principal preservation;</p> <p>(II) high liquidity, without affecting the normal implementation of the investment projects.</p> <p>The investment products shall not be pledged, and the product-specific settlement account (if applicable) shall not be used to deposit other funds or for other purposes. In case of opening or cancellation of a product-specific settlement account, the Company shall report to the SSE for filing and issue an announcement within two business days <u>in a timely manner.</u></p>
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<p>Article 12 Utilization of idle proceeds in investment products shall be subject to the consideration and approval of the Board of Directors of the Company, with the explicit consent of independent Directors, the Supervisory Committee and the sponsor. The Company shall issue an announcement of the followings within two trading days after the Board meeting:</p> <p>(I) the basic information of the proceeds, including the time and amount of proceeds raised, net amount of proceeds and the investment plan;</p> <p>(II) the use of proceeds;</p> <p>(III) the amount and maturity of investment products with idle proceeds, whether there are disguised acts of changing the use of proceeds and measures to ensure that the normal implementation of the investment projects will not be affected;</p> <p>(IV) the income distribution method, investment scope and security level of the investment products;</p> <p>(V) opinions of the independent Directors, the Supervisory Committee and the sponsor.</p>	<p>Article 12 Article 13 Utilization of idle proceeds in investment products shall be subject to the consideration and approval of the Board of Directors of the Company, with the explicit consent of independent Directors, the Supervisory Committee and the sponsor. <u>upon which the Company shall issue an announcement of the followings within two trading days after the Board meeting in a timely manner:</u></p> <p>(I) the basic information of the proceeds, including the time and amount of proceeds raised, net amount of proceeds and the investment plan;</p> <p>(II) the use of proceeds;</p> <p>(III) the amount and maturity of investment products with idle proceeds, whether there are disguised acts of changing the use of proceeds and measures to ensure that the normal implementation of the investment projects will not be affected;</p> <p>(IV) the income distribution method, investment scope and security level of the investment products;</p> <p>(V) <u>(V) opinions of the independent Directors, the Supervisory Committee and, the sponsor or the independent financial advisor.</u></p> <p><u>In the event of any deterioration in the financial position of the issuer of the products, loss suffered from the invested products and other material risks, the Company shall promptly disclose the risk warning announcement and explain on the risk control measures adopted by the Company to ensure the safety of its funds.</u></p>
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<p>Article 13 Where the Company uses idle proceeds to temporarily replenish its working capital, it shall comply with the following requirements:</p> <p>(I) the Company shall not change the use of the proceeds in disguise and shall not affect the normal implementation of the investment plan;</p> <p>(II) proceeds shall be limited only to the use for production and operation relating to the main business of the Company, and shall not be used, directly or indirectly, for transactions such as the placement or subscription for new shares, or the trading of shares and their derivatives and convertible bonds;</p> <p>(III) the duration of a single replenishment of working capital shall not exceed 12 months;</p> <p>(IV) repaid and mature proceeds previously used as temporary replenishment of working capital (if applicable).</p> <p>Utilization of idle proceeds for the replenishment of working capital shall be subject to the consideration and approval of the Board of Directors of the Company, with the explicit consent of independent Directors, the Supervisory Committee and the sponsor. The Company shall report to the SSE and issue an announcement in a timely manner within two trading days after the Board meeting.</p> <p>Prior to the maturity date of replenishing the working capital, the Company shall return such proportion of the capital to the Special Account for Proceeds, and report to the SSE and issue an announcement within two trading days after all the funds have been repaid.</p>	<p>Article 13 Article 14 Where the Company uses idle proceeds to temporarily replenish its working capital, it shall comply with the following requirements:</p> <p>(I) the Company shall not change the use of the proceeds in disguise and shall not affect the normal implementation of the investment plan;</p> <p>(II) proceeds shall be limited only to the use for production and operation relating to the main business of the Company, and shall not be used, directly or indirectly, for transactions such as the placement or subscription for new shares, or the trading of shares and their derivatives and convertible bonds;</p> <p>(III) the duration of a single replenishment of working capital shall not exceed 12 months;</p> <p>(IV) repaid and mature proceeds previously used as temporary replenishment of working capital (if applicable).</p> <p>Utilization of idle proceeds for the replenishment of working capital shall be subject to the consideration and approval of the Board of Directors of the Company, with the explicit consent of independent Directors, the Supervisory Committee and the sponsor. The Company shall report to the SSE and issue an announcement in a timely manner within two trading days after the Board meeting.</p> <p>Prior to the maturity date of replenishing the working capital, the Company shall return such proportion of the capital to the Special Account for Proceeds, and report to the SSE and issue an announcement within two trading days after <u>report to the SSE and issue an announcement in a timely manner within two trading days</u> after all the funds have been repaid.</p>
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<p>Article 14 The part of the actual net proceeds of the Company in excess of the planned amount of proceeds (hereinafter referred to as the “Excess Proceeds”) may be used for permanent replenishment of working capital or repayment of bank loans, provided that the cumulative amount used within each 12-month period shall not exceed 30% of the total Excess Proceeds and the Company shall undertake not to make high-risk investments or provide financial assistance to others within 12 months after the replenishment.</p>	<p>Article 14 Article 15 The part of the actual net proceeds of the Company in excess of the planned amount of proceeds (hereinafter referred to as the “Excess Proceeds”) may be used for permanent replenishment of working capital or repayment of bank loans, provided that the cumulative amount used within each 12-month period shall not exceed 30% of the total Excess Proceeds and the Company shall undertake not to make high-risk investments or provide financial assistance to others <u>companies other than its subsidiaries</u> within 12 months after the replenishment.</p>
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<p>Article 15 Utilization of the Excess Proceeds for permanent replenishment of working capital or repayment of bank loans shall be subject to the approval of the Board of Directors and the general meeting of the Company with the provision of online voting methods for shareholders, with the explicit consent of independent Directors, the Supervisory Committee and the sponsor. The Company shall report to the SSE and issue an announcement containing the following details within two trading days after the Board meeting:</p> <ol style="list-style-type: none"> (1) the basic information of the proceeds, including the time and amount of proceeds raised, net amount of proceeds, the amount of the Excess Proceeds and the investment plan; (2) the use of proceeds; (3) the rationality and detailed plan of using the Excess Proceeds for permanent replenishment of working capital or repayment of bank loans; (4) an undertaking of not to make high-risk investments or provide financial assistance to others within 12 months after the replenishment; (5) impact on the Company due to the use of the Excess Proceeds for permanent replenishment of working capital or repayment of bank loans; (6) opinions of the independent Directors, the Supervisory Committee and the sponsor. 	<p>Article 156 Utilization of the Excess Proceeds for permanent replenishment of working capital or repayment of bank loans shall be subject to the approval of the Board of Directors and the general meeting of the Company with the provision of online voting methods for shareholders, with the explicit consent of independent Directors, the Supervisory Committee and, the sponsor, <u>or the independent financial advisor.</u> The Company shall report to the SSE and issue an announcement containing the following details <u>within two trading days after in a timely manner upon the consideration and approval of</u> the Board of <u>Directors meeting:</u></p> <ol style="list-style-type: none"> (1) the basic information of the proceeds, including the time and amount of proceeds raised, net amount of proceeds, the amount of the Excess Proceeds and the investment plan; (2) the use of proceeds; (3) the rationality and detailed plan of using the Excess Proceeds for permanent replenishment of working capital or repayment of bank loans; (4) an undertaking of not to make high-risk investments or provide financial assistance to others within 12 months after the replenishment; (5) impact on the Company due to the use of the Excess Proceeds for permanent replenishment of working capital or repayment of bank loans; (6)<u>(6)</u> opinions of the independent Directors, the Supervisory Committee and, the sponsor <u>or the independent financial advisor.</u>
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<p>Article 16 Where the Company applies the Excess Proceeds in projects under construction and new projects (including asset acquisition), such projects shall fall within the Company’s principal businesses, and the Company shall scientifically and prudently make feasibility analysis on the investment projects, and perform its and information disclosure obligations in a timely manner, in accordance with the relevant requirements under Articles 19, 20, 22 and 23 herein.</p>	<p>Article 16 Article 17 Where the Company applies the Excess Proceeds in projects under construction and new projects (including asset acquisition), such projects shall fall within the Company’s principal businesses, and the Company shall scientifically and prudently make feasibility analysis on the investment projects, and perform its and information disclosure obligations in a timely manner, in accordance with the relevant requirements under Articles 19, 20, 22 and 23 herein <u>regarding the change in the use of proceeds.</u></p>
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<p>Article 17 After the completion of a single investment project, the Company’s utilization of the remaining proceeds of that project (including interest income) in other investment projects shall be subject to the consideration and approval of the Board of the Directors, with the explicit consent of the independent Directors, the sponsor and the Supervisory Committee. The Company shall report to the SSE and issue an announcement within two trading days after the Board meeting.</p> <p>Remaining proceeds (including interest income) of less than RMB1 million or below 5% of the committed investment of the project may be exempt from the procedures in the preceding clause. The utilization of such proceeds shall be disclosed in the annual report.</p> <p>When utilizing remaining proceeds (including interest income) from a single investment project for projects other than the investment project (including the replenishment of working capital), the Company shall implement the relevant procedures and fulfill the obligation of disclosure with reference to the requirements for the change of investment projects.</p>	<p>Article 1718 After the completion of a single investment project, the Company’s utilization of the remaining proceeds of that project (including interest income) in other investment projects shall be subject to the consideration and approval of the Board of the Directors, with the explicit consent of the independent Directors, the sponsor and the Supervisory Committee. The Company shall report to the SSE and issue an announcement <u>in a timely manner within two trading days after upon the consideration and approval of the Board of Directors meeting.</u></p> <p>Remaining proceeds (including interest income) of less than RMB1 million or below 5% of the committed investment of the project may be exempt from the procedures in the preceding clause. The utilization of such proceeds shall be disclosed in the annual report.</p> <p>When utilizing remaining proceeds (including interest income) from a single investment project for projects other than the investment project (including the replenishment of working capital), the Company shall implement the relevant procedures and fulfill the obligation of disclosure with reference to the requirements for the change of investment projects.</p>
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<p>Article 18 After the completion of all investment projects, the use of remaining proceeds (including interest income) of more than 10% of the net proceeds shall be subject to the consideration and approval of the Board and the general meeting, with the explicit consent of the independent Directors, the sponsor and the Supervisory Committee. The Company shall report to the SSE and issue an announcement within two trading days after the Board meeting.</p> <p>The use of remaining proceeds (including interest income) of less than 10% of the net proceeds shall be subject to the consideration and approval of the Board of Directors, with the explicit consent of the independent Directors, the sponsor and the Supervisory Committee. The Company shall report to the SSE and issue an announcement within two trading days after the Board meeting.</p> <p>Remaining proceeds (including interest income) of less than RMB5 million or below 5% of the net proceeds may be exempt from the procedures in the preceding clause. The utilization of such proceeds shall be disclosed in the latest periodic report.</p>	<p>Article 1819 After the completion of all investment projects, the use of remaining proceeds <u>of the Company (including interest income) of more than 10% of the net proceeds</u> shall be subject to the consideration and approval of the Board and the general meeting, with the explicit consent of the independent Directors, the sponsor and the Supervisory Committee. The Company shall report to the SSE and issue an announcement within two trading days after the Board meeting.</p> <p>The use of remaining proceeds (including interest income) of less than 10% of the net proceeds shall be subject to the consideration and approval of the Board of Directors, with the explicit consent of the independent Directors, the sponsor and the Supervisory Committee. The Company shall report to the SSE and issue an announcement within two trading days after <u>in a timely manner upon the consideration and approval of the Board of Directors meeting.</u> <u>The use of the remaining proceeds (including interest income) of more than 10% of the net proceeds shall be subject to the consideration and approval of the general meeting.</u></p> <p>Remaining proceeds (including interest income) of less than RMB5 million or below 5% of the net proceeds may be exempt from the procedures in the preceding clause. The utilization of such proceeds shall be disclosed in the latest periodic report.</p>
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<p>Article 19 The proceeds of the Company shall be used for the purposes specified in the prospectus, the offering document or private issuance proposal. Changes of the Company’s investment projects shall be subject to the consideration and approval of the Board of Directors and the general meeting, with the explicit consent of the independent Directors, the sponsor and the Supervisory Committee.</p> <p>If the Company only changes the project venue, it may be exempt from the procedures in the preceding clause but shall be subject to the consideration and approval of the Board of Directors. The Company shall report to the SSE and issue an announcement regarding the reasons for the change and opinions of the sponsor within two trading days.</p>	<p>Article 19 Article 20 The proceeds of the Company shall be used for the purposes specified in the prospectus, the offering document or private or other issuance proposal offering documents. Changes of the use of proceeds by the Company’s investment projects inconsistent with the purposes specified in the prospectus or other offering documents shall be resolved by subject to the consideration and approval of the Board of Directors and the general meeting, with the explicit consent of the independent Directors, the sponsor and the Supervisory Committee.</p> <p>Any of the following events shall be deemed as the change in the use of proceeds by the Company, and shall be announced in a timely manner upon the consideration and approval of the Board of Directors and subject to the procedures of the general meeting:</p> <ul style="list-style-type: none"> (I) <u>cancellation or termination of the existing investment project and the implementation of a new project;</u> (II) <u>change of the implementing entity of the investment project;</u> (III) <u>change of the implementation methods of the investment project;</u> (IV) <u>other circumstances deemed by the SSE as a change in the use of proceeds.</u> <p>If <u>the change of the implementing entity occurs between the Company and its wholly-owned subsidiaries or the Company only changes the project venue, it shall not be deemed as the change in the use of proceeds and may be exempt from the procedures in the preceding clause of the general meeting but shall be remain</u> subject to the consideration and approval of the Board of Directors. The Company shall <u>report to the SSE and issue an announcement</u>—issue an announcement regarding the reasons for the change of <u>implementing entity or venue</u> and opinions of the sponsor <u>in a timely manner</u> within two trading days.</p>
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<p>Article 21 When the Company changes the investment projects for raising funds, the following documents shall be submitted to the SSE for disclosure purpose:</p> <p>(I) the draft announcements;</p> <p>(II) resolutions of the meeting of the Board of Directors and draft announcements of the resolutions;</p> <p>(III) opinions of independent Directors on changing the investment projects;</p> <p>(IV) opinions of the Supervisory Committee on changing the investment projects;</p> <p>(V) opinions of the sponsor on changing the investment projects (if applicable);</p> <p>(VI) explanation of changes of the investment projects;</p> <p>(VII) letters of intent or agreements for cooperation of new projects;</p> <p>(VIII) approvals for the new projects from competent authorities;</p> <p>(IX) feasibility reports for new projects;</p> <p>(X) reports of relevant securities service providers;</p> <p>(XI) agreements to terminate the existing projects;</p> <p>(XII) other documents required by the SSE.</p> <p>The Company shall provide the SSE with all or part of the documents mentioned in items (VII) to (XI) above according to the specific conditions of the new projects.</p>	Deletion
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<p>Article 22 Where the Company proposes to change the investment projects, it shall report to the SSE and issue an announcement on the followings within two trading days after the proposal is submitted to the Board of Directors for consideration and approval:</p> <p>(I) basic information of the existing investment projects and the reason for the change;</p> <p>(II) basic information, feasibility analysis and risk exposures of the new investment projects;</p> <p>(III) investment plan of the new investment projects;</p> <p>(IV) a statement that the new project has been approved by or is subject to the approval of competent authorities (if applicable);</p> <p>(V) opinions of the independent Directors, the Supervisory Committee and the sponsor on the change of investment projects;</p> <p>(VI) a statement that the new project is subject to the consideration and approval of the general meeting;</p> <p>(VII) other information required by the SSE.</p> <p>If the new investment projects involves connected transactions, asset acquisition or external investments, the Company shall make disclosure according to the relevant rules.</p>	<p>Article 22 Where the Company proposes to change the investment projects, it shall report <u>report</u> to the SSE and <u>report</u> and <u>in a timely manner</u> issue an announcement on the followings within two trading days <u>in a timely manner</u> after the proposal is submitted to the Board of Directors for consideration and approval:</p> <p>(I) basic information of the existing investment projects and the reason for the change;</p> <p>(II) basic information, feasibility analysis and risk exposures of the new investment projects;</p> <p>(III) investment plan of the new investment projects;</p> <p>(IV) a statement that the new project has been approved by or is subject to the approval of competent authorities (if applicable);</p> <p>(V) opinions of the independent Directors, the Supervisory Committee and <u>the independent financial advisor</u> on the change of investment projects;</p> <p>(VI) a statement that the new project is subject to the consideration and approval of the general meeting;</p> <p>(VII) other information required by the SSE.</p> <p>If the new investment projects involves connected transactions, asset acquisition or external investments, the Company shall make disclosure according to the relevant rules.</p>
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<p>Article 24 If the Company intends to transfer or replace the investment projects (excluding those fully transferred or replaced during the material assets restructuring of the Company), it shall report to the SSE and issue an announcement on the followings within two trading days upon the consideration and approval of the Board of Directors:</p> <p>(I) reasons for the transfer or replacement of the investment projects;</p> <p>(II) amount of proceeds invested in such projects;</p> <p>(III) progress of such projects and benefits realized;</p> <p>(IV) basic information, feasibility analysis and risk exposure of the new projects (if applicable);</p> <p>(V) pricing basis of the transfer or replacement and relevant benefits;</p> <p>(VI) opinions of the independent Directors, the Supervisory Committee and the sponsor on the transfer or replacement of investment projects;</p> <p>(VII) a statement that the transfer or replacement of investment projects is subject to the consideration and approval of the general meeting;</p> <p>(VIII) other information required by the SSE.</p>	<p>Article 24 If the Company intends to transfer or replace the investment projects (excluding those fully transferred or replaced during the material assets restructuring of the Company), it shall report to the SSE and issue an announcement on the followings within two trading days <u>in a timely manner</u> upon the consideration and approval of the Board of Directors:</p> <p>(I) reasons for the transfer or replacement of the investment projects;</p> <p>(II) amount of proceeds invested in such projects;</p> <p>(III) progress of such projects and benefits realized;</p> <p>(IV) basic information, feasibility analysis and risk exposure of the new projects (if applicable);</p> <p>(V) pricing basis of the transfer or replacement and relevant benefits;</p> <p>(VI) opinions of the independent Directors, the Supervisory Committee and the sponsor <u>or the independent financial advisor</u> on the transfer or replacement of investment projects;</p> <p>(VII) a statement that the transfer or replacement of investment projects is subject to the consideration and approval of the general meeting;</p> <p>(VIII) other information required by the SSE.</p>
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<p>Article 26 The Board of Director shall thoroughly examine the progress of the investment projects every six months, and issue the Special Report on Deposit and Actual Use of Proceeds of the Company (hereinafter referred to as the “Special Report on Proceeds”) in connection with the deposit and use of the proceeds.</p> <p>In case of any difference between actual progress and investment plan of investment project, the Company shall explain the specific reasons in the Special Report on Proceeds. If the idle proceeds are invested in projects in the current period, the Company shall disclose in the Special Report on Proceeds the income in current report period, and the share of investment, signatory, product name, maturity and other information as at the end of period.</p> <p>The Special Report on Proceeds shall be considered and approved by the Board of Directors and the Supervisory Committee, and shall be reported to the SSE with an announcement issued within two trading days upon consideration and approval of the Board of Directors. During the annual audit, the Company shall appoint an accounting firm to issue an assurance report on the deposit and use of the proceeds, which shall be submitted to the SSE at the time of disclosure of the annual report, as well as disclosed on the website of the SSE at the same time.</p>	<p>Article 26 The Board of Director shall <u>constantly pay attention to the actual management and use of the proceeds,</u> thoroughly examine the progress of the investment projects every six months, and issue the Special Report on Deposit and Actual Use of Proceeds of the Company (hereinafter referred to as the “Special Report on Proceeds”) in connection with the deposit and use of the proceeds.</p> <p>In case of any difference between actual progress and investment plan of investment project, the Company shall explain the specific reasons in the Special Report on Proceeds. If the idle proceeds are invested in projects in the current period, the Company shall disclose in the Special Report on Proceeds the income in current report period, and the share of investment, signatory, product name, maturity and other information as at the end of period.</p> <p>The Special Report on Proceeds shall be considered and approved by the Board of Directors and the Supervisory Committee, and shall be reported to the SSE with a <u>announcement shall be issued within two trading days in a timely manner</u> upon consideration and approval of the Board of Directors.</p> <p>During the annual audit, the Company shall appoint an accounting firm to issue an assurance report on the deposit and use of the proceeds, which shall be submitted to the SSE at the time of disclosure of the annual report, as well as disclosed on the website of the SSE at the time of disclosure of the annual report <u>at the time of disclosure of the annual report</u> at the same time.</p>
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<p>Article 27 Independent Directors, the Audit Committee of the Board of Directors and the Supervisory Committee shall constantly pay attention to the actual management and use of the proceeds. More than one half of the independent Directors, the Audit Committee of the Board of Directors or the Supervisory Committee may appoint an accounting firm to issue an assurance report on the deposit and use of the proceeds. The Company shall actively cooperate and bear the necessary costs.</p> <p>The Board of Directors shall report to the SSE and issue an announcement within two trading days after receiving the assurance report specified in the preceding clause. If the assurance report opines that the management and use of the proceeds of the Company involve violation of the regulations, the Board of Directors shall also announce the violations regarding the deposit and use of the proceeds, as well as the actual or potential consequences or measures that have been taken or will be taken.</p>	<p>Deletion</p>
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Added	<p><u>Article 27</u> <u>The accounting department of the Company shall set up ledger for the use of proceeds, recording details of the spending of proceeds and the investment in projects financed with proceeds.</u></p> <p><u>The internal audit department of the Company shall review the deposit and use of proceeds at least every six months and promptly report the results to the Audit Committee.</u></p> <p><u>If the Audit Committee of the Company considers that there are non-compliance or significant risks in the management of the Company's proceeds or that the internal audit department fails to submit a report on the review results in accordance with the provisions of the preceding clause, it shall promptly report to the Board of Directors. The Board of Directors shall report to the SSE and issue an announcement in a timely manner after receiving the report.</u></p>
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Apart from the above amendments and the addition/removal of articles, and the subsequent reordering of articles resulting from such amendments and addition/removal of articles, other articles of the Management Measures on Raised Funds remain unchanged.

The full text of the proposed amendments to the Management Measures on Raised Funds were prepared in the Chinese language. In the event of any discrepancy between the English translation and the Chinese version, the Chinese version shall prevail.

APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES OF THE INDEPENDENT DIRECTORS

The proposed amendments to the Work Policies of the Independent Directors are as follows:

Original Articles	Amended Articles
<p>Article 1 To further improve the corporate governance and board structure of Wuxi AppTec Co., Ltd. (the “Company”), while strengthening the restraint and supervision mechanism for internal directors and senior managements, protecting the interests of minority shareholders and stakeholders and facilitating the regulatory operation of the Company, these rules are formulated in accordance with the relevant requirements of Company Law of the People’s Republic of China (the “Company Law”), the Governance Guidelines for Listed Companies, Guidelines for Introducing Independent Directors to the Board of Listed Companies (the “Guidelines”), the Governance Guidelines for Listed Companies, the Filing and Training Guidelines of Independent Directors of Companies Listed on the Shanghai Stock Exchange, the Guidelines on the Duty Performance of Independent Directors of Listed Companies, Guidelines for Independent Directors to Promote Internal Control of Listed Companies, Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”) and Articles of Association of Wuxi AppTec Co., Ltd. (the “Articles of Association”).</p>	<p>Article 1 To further improve the corporate governance and board structure of Wuxi AppTec Co., Ltd. (the “Company”), while strengthening the restraint and supervision mechanism for internal directors and senior managements, protecting the interests of minority shareholders and stakeholders and facilitating the regulatory operation of the Company, these rules are formulated in accordance with the relevant requirements of Company Law of the People’s Republic of China (the “Company Law”), the Governance Guidelines for Listed Companies, <u>the Administrative Measures</u> Guidelines for Introducing Independent Directors to the Board of Listed Companies (the “Guidelines-Measures for Independent Directors”), the <u>Governance Guidelines for Self-Regulation of Listed Companies</u>, the Filing and Training Guidelines of Independent Directors of Companies Listed on the Shanghai Stock Exchange No. 1 — Standardized Operation, the Guidelines on the Duty Performance of Independent Directors of Listed Companies, Guidelines for Independent Directors to Promote Internal Control of Listed Companies, Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”) and Articles of Association of Wuxi AppTec Co., Ltd. (the “Articles of Association”).</p>

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<p>Article 2 The Company shall establish an independent director system.</p> <p>(I) Independent directors refer to those directors who do not take up any position in the Company other than serving as directors and are in no relationship with the Company and its substantial shareholders which may interfere with their exercise of independent and objective judgment.</p> <p>(II) Independent directors shall fulfil the obligations of honesty and diligence to the Company and all the shareholders thereof. Independent directors shall duly perform their duties, protect the overall interests of the Company, in particular the legitimate rights and interests of the minority shareholders, in accordance with relevant laws and regulations, the listing rules of stock exchange in the place where the stocks of the Company are listed, the Articles of Association and these policies. The independent directors shall perform their duties and responsibilities independently, and shall not be influenced by the Company’s substantial shareholders, the actual controller or other units or individuals having interests in the Company. In principle, independent directors can take their roles as independent directors in up to five companies concurrently, and shall ensure their effective performance of duties as independent directors with sufficient time and efforts devoted.</p>	<p>Article 2 The Company shall establish an independent director system.</p> <p>(I) Independent directors refer to those directors who do not take up any position in the Company other than serving as directors and <u>have neither direct or indirect interests in</u> are in no relationship with the Company and its substantial shareholders <u>and de facto controllers, nor other relationship</u> which may interfere with their exercise of independent and objective judgment.</p> <p>(II) Independent directors shall fulfil the obligations of honesty and diligence to the Company and all the shareholders thereof. Independent directors shall duly perform their duties, <u>play the roles of participating in decision-making, conducting supervision, checks and balances, and providing professional advice in the Board,</u> protect the overall interests of the Company, in particular and safeguard the legitimate rights and interests of the minority shareholders, in accordance with relevant laws and regulations, the listing rules of stock exchange in the place where the stocks of the Company are listed, the Articles of Association and these policies. The independent directors shall perform their duties and responsibilities independently, and shall not be influenced by the Company’s substantial shareholders, the actual controller or other units or individuals having interests in the Company. In principle, independent directors can take their roles as independent directors in up to five <u>a maximum of three domestic listed</u> companies concurrently, and shall ensure their effective performance of duties as independent directors with sufficient time and efforts devoted.</p>
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**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
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<p>(III) The Company shall appoint suitable persons as independent directors. Among which: at least one accounting professional (the candidate nominated to be an independent director as an accounting professional, shall have extensive knowledge and experience in the accounting profession, and shall at least fulfill one of the following requirements: 1. qualified as Certified Public Accountant (CPA); 2. qualified as senior professionals, associate professor or obtained a doctorate degree in accounting, auditing or financial management; 3. qualified as senior professionals in economics management and with more than 5 years of full-time working experience in professional posts such as accounting, auditing or financial management); at least one independent director shall ordinarily reside in Hong Kong. No less than one-third of the Board members and no less than three Board members of the Company shall be independent directors.</p> <p>.....</p>	<p>(III) The Company shall appoint suitable persons as independent directors. Among which: at least one accounting professional (the candidate nominated to be an independent director as an accounting professional, shall have extensive knowledge and experience in the accounting profession, and shall at least fulfill one of the following requirements: 1. qualified as Certified Public Accountant (CPA); 2. qualified as senior professionals, associate professor <u>and above</u> or obtained a doctorate degree in accounting, auditing or financial management; 3. qualified as senior professionals in economics management and with more than 5 years of full-time working experience in professional posts such as accounting, auditing or financial management); at least one independent director shall ordinarily reside in Hong Kong. No less than one-third of the Board members and no less than three Board members of the Company shall be independent directors.</p> <p>.....</p>
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**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
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<p>Article 3 Independent directors shall be qualified for executing their duties.</p> <p>Acting as an independent director, basic conditions as follows shall be fulfilled:</p> <p>(I) having the qualifications as a director of listed companies in accordance with laws, administrative regulations and other relevant provisions; if a candidate for independent director fails to obtain a qualification certificate of independent director at the time of nomination, he/she shall undertake in writing to attend the nearest independent director qualification training and obtain such qualification certificate of independent director;</p> <p>(II) being independent within the meaning of the listing rules of the stock exchange in the place where the stocks of the Company are listed and these rules;</p> <p>(III) having the basic knowledge on the operation of the companies, and proficient in relevant laws, administrative regulations, rules and regulations;</p> <p>(IV) having more than five years of legal, economic or other work experience required for the execution of duties of independent directors;</p>	<p>Article 3 Independent directors shall be qualified for executing their duties.</p> <p>Acting as an independent director, basic conditions as follows shall be fulfilled:</p> <p>(I) having the qualifications as a director of listed companies in accordance with laws, administrative regulations and other relevant provisions; if a candidate for independent director fails to obtain a qualification certificate of independent director at the time of nomination, he/she shall undertake in writing to attend the nearest independent director qualification training and obtain such qualification certificate of independent director;</p> <p>(II) being independent within the meaning of the listing rules of the stock exchange in the place where the stocks of the Company are listed and these rules;</p> <p>(III) having the basic knowledge on the operation of the companies, and proficient in relevant laws, administrative regulations, rules and regulations;</p> <p>(IV) having more than five years of legal, <u>accounting,</u> economic or other work experience required for the execution of duties of independent directors;</p>
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<p>(V) other conditions stipulated in the Articles of Association.</p> <p>In the event of failure to satisfy the qualification requirements for independent directors after assuming office, such independent directors shall resign within 30 days from the date of occurrence of such circumstances. If such resignation is not tendered as required, the Board of the Company shall initiate the decision-making process to remove him/her from the position of independent director within 2 days.</p>	<p>(V) <u>possessing good personal integrity and having no adverse records such as material breach of trust;</u></p> <p>(VI) other conditions stipulated in <u>laws, administrative regulations, rules from the CSRC, the business rules of the stock exchange in the place where the stocks of the Company are listed and the Articles of Association.</u></p> <p>In the event of failure to satisfy the qualification requirements for independent directors after assuming office provisions in (I) or (II) above, such independent directors shall immediately cease to perform their duties and resign from office within 30 days from the date of occurrence of such circumstances. If such resignation is not tendered as required, the Board of the Company shall initiate the decision-making process to remove him/her from the position as required after the Board has become aware of, or should have become aware of, the occurrence of such fact of independent director within 2 days.</p>
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<p>Article 4 An independent director shall have no bad records as set out below:</p> <p>(I) having received penalties imposed by CSRC and the Securities and Futures Commission of Hong Kong (“SFC”) in the past three years;</p> <p>(II) within a period when he/she is publicly determined by the stock exchange in the place where the stocks of the Company are listed to be inappropriate to serve as an director of the Company;</p> <p>(III) having received public condemnation or criticism at least twice by the stock exchange in the place where the stocks of the Company are listed in the past three years;</p> <p>(IV) failure to attend the Board meetings twice successively in the term as an independent director, or failure to participate in person in at least one third of the Board meetings for the year;</p> <p>(V) having expressed independent opinions which were obviously inconsistent with the fact during the term as an independent director.</p>	<p>Article 4 An independent director shall have no bad records as set out below:</p> <p>(I) <u>subject to administrative penalties having received penalties imposed by CSRC and the Securities and Futures Commission of Hong Kong (“SFC”) in the past three years or criminal penalties imposed by judicial authorities for violation of laws or crime, in respect of securities and futures, in the past 36 months;</u></p> <p>(II) <u>within a period when he/she is publicly determined by the stock exchange in the place where the stocks of the Company are listed to be inappropriate to serve as an director of the Company a case has been filed for investigation by the CSRC or judicial authorities for violation of laws or crime, in respect of securities and futures, and no clear conclusion has been reached;</u></p> <p>(III) <u>having received public condemnation or criticism at least twice open denunciation or over 3 circulated criticisms by the stock exchange in the past 36 months place where the stocks of the Company are listed in the past three years;</u></p> <p>(IV) <u>failure to attend the Board meetings twice successively in the term as an independent director, or failure to participate in person in at least one third of the Board meetings for the year having adverse records such as material breach of trust;</u></p> <p>(V) <u>having expressed independent opinions which were obviously inconsistent with the fact during the term as an independent director removal of his/her duties in a general meeting proposed to be convened by the Board due to failure to either attend two consecutive Board meetings in person or entrust other independent director to attend on his/her behalf during his/her term of office as an independent director, which was less than 12 months;</u></p>
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	<p>(VI) <u>subject to penalties imposed by the Securities and Futures Commission of Hong Kong (“SFC”) in the past three years;</u></p> <p>(VII) <u>other circumstances as may be stipulated by the stock exchange in the place where the stocks of the Company are listed.</u></p>
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**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
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<p>Article 5 The nomination, election and replacement of independent directors shall be made in accordance with the laws and regulations.</p> <p>(I) The independent directors shall be nominated by the Board, the Supervisory Committee, shareholders who solely or jointly hold 1% or more of issued shares of the Company, and shall be decided on election of general meeting.</p> <p>(II) The nominator of independent directors shall obtain the consent of nominees before nomination. The nominator shall fully understand the occupation, education, job title, the detailed working experience, all and any part-time jobs of nominees and shall give opinions on their qualification and independence as an independent director. The nominee shall make a public statement, indicating that there is no relation between such nominee and the Company which could affect any independent objective judgment of the nominee. The Board shall make relevant disclosures as required before convening a general meeting for election of independent directors.</p>	<p>Article 5 The nomination, election and replacement of independent directors shall be made in accordance with the laws and regulations.</p> <p>(I) The independent directors shall be nominated by the Board, the Supervisory Committee, shareholders who solely or jointly hold 1% or more of issued shares of the Company, and shall be decided on election of general meeting. <u>A nominator shall not nominate a person in whom he/she has an interest or other close relationship that may affect the independent performance of his/her duties as a candidate for independent director.</u></p> <p>(II) The nominator of independent directors shall obtain the consent of nominees before nomination. The nominator shall fully understand the occupation, education, job title, the detailed working experience, all and any part-time jobs of nominees <u>and whether there is any material breach of trust and other adverse records, and shall give opinions on their qualification and as to whether he/she is in compliance with the independence and other conditions</u> as an independent director. The nominee shall make a public statement, indicating that there is no relation between such nominee and the Company which could affect any independent objective judgment of the nominee. The Board shall make relevant disclosures as required before convening a general meeting for election of independent directors <u>he/she is in compliance with the independence and other conditions as an independent director.</u></p>
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<p>(III) When issuing the notice of the general meeting on the election of independent directors, the Company shall submit the relevant materials of the candidates for independent directors to the CSRC, the local branches of the CSRC where the Company is located and the stock exchange in the place where the stocks of the Company are listed (if required). Where there are any objections to the candidates for independent directors from the Board of the Company, such written opinions of the Board shall also be sent. The nominee who is disagreed by the CSRC may be the candidate for directors of the Company, but not the candidate of the independent directors. During the general meeting for electing the independent directors, the Board of the Company shall make a statement as to whether CSRC and SFC have any objections to the candidate for independent directors.</p> <p>(IV) The length of each tenure of independent directors shall be the same as that of other directors of the Company, and subject to re-election upon the expiry of tenure, provided that the length of tenure upon re-election shall not be more than six years.</p>	<p>(III) <u>The nomination committee of the Company shall examine the qualifications of the nominees for appointment and form a clear opinion on the examination.</u></p> <p>(IV) <u>Before</u> When issuing the notice of the general meeting on the election of independent directors <u>is convened, the Board of the Company shall make an announcement on the above matters as required, and shall submit the relevant materials of the candidates for independent directors to the CSRC, the local branches of the CSRC where the Company is located and the stock exchange in the place where the stocks of the Company are listed (if required).</u> Where there are any objections to the candidates for independent directors from the Board of the Company, such written opinions of the Board shall also be sent. The nominee who is disagreed by the CSRC <u>the stock exchange in the place where the stocks of the Company are listed</u> may be the candidate for directors of the Company, but not the candidate of the independent directors <u>shall not be proposed to the general meeting for election as an independent director.</u> During the general meeting for electing the independent directors, the Board of the Company shall make a statement as to whether the stock exchange in the place where the stocks of the Company are listed, CSRC and SFC (if applicable) have any objections to the candidate for independent directors.</p> <p>(IVV) <u>A cumulative voting system shall be implemented for the election of two or more independent directors at the general meeting.</u></p> <p>(VI) The length of each tenure of independent directors shall be the same as that of other directors of the Company, and subject to re-election upon the expiry of tenure, provided that the length of tenure upon re-election shall not be more than six years.</p>
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APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES OF THE INDEPENDENT DIRECTORS

<p>(V) Any independent director failing to attend the Board meetings for three consecutive times in person might be replaced by a general meeting as proposed by the Board. Notwithstanding the above case and other cases of being prohibited from acting as directors as specified in the Articles of Association and Company Law, no independent director shall be removed from office for no reason before expiry of the term. For early removal, the Company shall make a special disclosure on such matter, and any independent director removed who held that the Company had improper reason for removal could make a public statement.</p>	<p>(V<u>VII</u>) Any independent director failing to <u>either</u> attend the Board meetings for three<u>two</u> consecutive times in person <u>or entrust other independent director to attend on his/her behalf</u> might be replaced by a general meeting as proposed by the Board. Notwithstanding the above case and other cases of being prohibited from acting as directors as specified in the Articles of Association and Company Law, no independent director shall be removed from office for no reason before expiry of the term. For early removal, the Company shall make a special disclosure on such matter, and any independent director removed who held that the Company had improper reason for removal could make a public statement.</p>
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**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
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<p>(VI) An independent director may resign before the expiry of his term of office. In resigning his duties, an independent director shall tender a resignation to the Board in writing and specify any matter which is related to his resignation or which he considers necessary to bring to the attention of the shareholders and creditors of the Company. If the number of independent directors falls below the statutory minimum requirement as a result of the resignation of any independent director before the expiry of his term of office, the incumbent directors shall continue to perform his duties as an independent director until a new independent director is elected and appointed, except for resignation due to loss of independence and dismissal according to laws. If the number of independent directors falls below the statutory minimum requirement as a result of the resignation of any independent director due to the loss of his independence and dismissal of any independent director according to laws, the Company shall elect an independent director as soon as practicable to meet the statutory minimum requirement of the number of independent directors. The original nominator and the Board shall nominate a new candidate of independent director within 90 days from the date of resignation of the independent director.</p>	<p>(VI)^(VIII) An independent director may resign before the expiry of his term of office. In resigning his duties, an independent director shall tender a resignation to the Board in writing and specify any matter which is related to his resignation or which he considers necessary to bring to the attention of the shareholders and creditors of the Company. If the number of independent directors falls below the statutory minimum requirement as a result of the resignation of any independent director before the expiry of his term of office, the incumbent directors shall continue to perform his duties as an independent director until a new independent director is elected and appointed, except for resignation due to loss of independence <u>or lack of qualifications as directors of listed companies</u> and dismissal according to laws. If the <u>number proportion of independent directors in the Board or its special committees does not comply with the provisions of the Measures for Independent Directors or the Articles of Association, or there is a lack of accounting professionals among the independent directors,</u> falls below the statutory minimum requirement as a result of the resignation of any independent director due to the loss of his independence <u>or lack of qualifications as directors of listed companies</u> and dismissal of any independent director according to laws, the Company shall elect an independent director as soon as practicable to meet the statutory minimum requirement of the number of independent directors. The original nominator and the Board shall nominate a new candidate of independent director within 90 days from the date of resignation of the independent director.</p>
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**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
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<p>Article 7 Obligations to maintain independence</p> <p>Independent directors shall maintain the independence of identity and performance of duties. In the process of performing their duties, they should not be affected by the controlling shareholders and de facto controllers of the Company and other units or individuals having interests in the Company; in case of any situation affecting the independence of identity, the independent directors shall timely notify the Company and eliminate the effect, and resign if failing to satisfy the independence conditions.</p> <p>The following persons may not hold the position of independent director:</p> <p>(I) persons holding positions in the Company or its subsidiaries and their lineal relatives and major social relations (lineal relatives refer to spouse, father, mother, children, etc.; major social relations refer to brothers, sisters, father-in-law, mother-in-law, daughter-in-law, son-in-law, spouses of brothers and sisters, brothers and sisters of spouses, etc.;</p> <p>(II) natural person shareholders directly or indirectly holding over 1% of the issued shares of the Company or ranking in the top ten shareholders of the Company, and their lineal relatives;</p> <p>(III) persons holding positions in the entities that directly or indirectly hold over 5% of the issued shares of the Company or that rank in the top five shareholders of the Company, and their lineal relatives;</p> <p>(IV) persons serving in de facto controllers of the Company and their subsidiaries;</p>	<p>Article 7 Obligations to maintain independence</p> <p>Independent directors shall maintain the independence of identity and performance of duties. In the process of performing their duties, they should not be affected by the controlling shareholders and de facto controllers of the Company and other units or individuals having interests in the Company; in case of any situation affecting the independence of identity, the independent directors shall timely notify the Company and eliminate the effect, and resign if failing to satisfy the independence conditions.</p> <p>The following persons may not hold the position of independent director:</p> <p>(I) persons holding positions in the Company or its subsidiaries and their <u>lineal relatives—spouses, parents and children as well as major social relations (lineal relatives refer to spouse, father, mother, children, etc.; major social relations refer to brothers, sisters, spouses of brothers and sisters, parents of spouses, father-in-law, mother-in-law, daughter-in-law, son-in-law, brothers and sisters of spouses, spouses of children, parents of spouses of children etc.;</u></p> <p>(II) natural person shareholders directly or indirectly holding over 1% of the issued shares of the Company or ranking in the top ten shareholders of the Company, and their <u>lineal relatives spouses, parents and children;</u></p> <p>(III) persons holding positions in the entities that directly or indirectly hold over 5% of the issued shares of the Company or that rank in the top five shareholders of the Company, and their <u>lineal relatives spouses, parents and children;</u></p> <p>(IV) persons serving in <u>the subsidiaries of de facto controllers of the Company and their—subsidiaries spouses, parents and children;</u></p>
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<p>(V) persons providing financial, legal, consulting and other services for the Company and its controlling shareholders or their respective subsidiaries, including the entire project team of the intermediary agency that provides services, reviewers at all levels, persons who sign the report, partners and principals in charge;</p> <p>(VI) persons serving as directors, supervisors or senior managements in the units that have significant business transactions with the Company and its controlling shareholders or their respective subsidiaries, or persons serving as directors, supervisors or senior managements in the controlling shareholders of these units;</p> <p>(VII) persons fallen into any of the circumstances above in the past year;</p> <p>(VIII) other persons prescribed in the Articles of Association;</p> <p>(XI) any person failing to comply with the independence requirement of independent directors under Rule 3.13 of Hong Kong Listing Rules;</p> <p>(X) the lack of independence under other circumstances as may be stipulated by the stock exchange in the place where the stocks of the Company are listed.</p>	<p>(V) <u>persons having material business transactions with the Company and its de facto controllers or their respective subsidiaries, or holding positions in units with which they have material business transactions and their de facto controllers;</u></p> <p>(VI) <u>persons providing financial, legal, consulting, sponsorship and other services for the Company and its controlling shareholders de facto controllers or their respective subsidiaries, including but not limited to the entire project team of the intermediary agency that provides services, reviewers at all levels, persons who sign the report, partners, directors, senior management and principals in charge;</u></p> <p>(VI) persons serving as directors, supervisors or senior managements in the units that have significant business transactions with the Company and its controlling shareholders or their respective subsidiaries, or persons serving as directors, supervisors or senior managements in the controlling shareholders of these units;</p> <p>(VII) <u>persons fallen into any of the circumstances above in the past year last twelve months;</u></p> <p>(VIII) other persons prescribed in the Articles of Association;</p> <p>(XI) any person failing to comply with the independence requirement of independent directors under Rule 3.13 of Hong Kong Listing Rules;</p> <p>(XI) <u>the other persons who lack of independence under other circumstances as may be stipulated by as prescribed by laws, administrative regulations, rules from the CSRC, business rules of the stock exchange in the place where the stocks of the Company are listed and the Articles of Association.</u></p>
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**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
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<p>Article 8 Contact for daily work and minimum workday requirement</p> <p>Independent directors shall timely and fully communicate with the management of the Company, in particular the secretary to the Board, to ensure smooth duty performance.</p> <p>An independent director shall work for the Company for at least 15 workdays every year, including attending general meetings, Board meetings and meetings of special committees, examination of the establishment and implementation of systems for production and operation, management and internal control and execution of Board resolutions, discussion with the management on operation and on-site study of material investments, production and construction projects.</p>	<p>Article 8 Contact for daily work and minimum workday requirement</p> <p>Independent directors shall timely and fully communicate with the management of the Company, in particular the secretary to the Board, to ensure smooth duty performance.</p> <p>An independent director shall work for <u>on-site at the Company</u> for at least 15 workdays every year, including attending general meetings, Board meetings and meetings of special committees, examination of the establishment and implementation of systems for production and operation, management and internal control and execution of Board resolutions, discussion with the management on operation, and <u>on-site study of material investments, production and construction projects inspections, and communicating with small and medium shareholders.</u></p>
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**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
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<p>Article 9 Attending trainings</p> <p>In principle, the proposed independent director shall attend at least one job training organized by relevant institutions recognized by the securities regulatory authorities before being employed as an independent director of the Company for the first time. Within two years after initial employment, independent directors shall attend the follow-up trainings at least once a year, and the duration of such trainings shall not be less than 30 hours.</p> <p>After receiving the trainings, independent directors shall fully understand the basic principles of corporate governance, the legal framework of the Company’s operation, the duties and responsibilities of independent directors, the Company’s information disclosure and related party transaction supervision and other specific rules, and have the awareness of internal control and risk prevention and the basic ability to read and understand financial statements.</p>	<p>Article 9 Attending trainings</p> <p>In principle, the proposed independent director shall attend at least one job training organized by relevant institutions recognized by the securities regulatory authorities before being employed as an independent director of the Company for the first time. Within two years after initial employment, independent directors shall attend the follow-up trainings at least once a year, and the duration of such trainings shall not be less than 30 hours. <u>Independent directors shall continuously strengthen their study of securities laws, regulations and rules, and continuously improve the capabilities to perform their duties.</u></p> <p>After receiving the trainings, independent directors shall fully understand the basic principles of corporate governance, the legal framework of the Company’s operation, the duties and responsibilities of independent directors, the Company’s information disclosure and related party transaction supervision and other specific rules, and have the awareness of internal control and risk prevention and the basic ability to read and understand financial statements.</p>
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<p>Article 11 Pay attention to the matters of the Company</p> <p>Independent directors shall pay special attention to the connected transactions, external guarantees, the use of proceeds, the protection of public shareholders, mergers and acquisitions, material investment and financing activities, financial management, remuneration of the senior management, profit distribution, information disclosure and other matters and shall propose to convene a board meeting, propose resolutions to general meeting for consideration and approval or engage an accounting firm, law firm and other intermediaries to conduct audit and verification and provide opinions for relevant matters according to relevant rules when necessary.</p>	<p>Article 11 Pay attention to the matters of the Company</p> <p><u>Independent directors shall continue to monitor the implementation of the matters set out in Article 17 of these policies and other matters that shall be considered and approved by the audit committee, nomination committee and remuneration and evaluation committee of the Board, and shall report to the Board in a timely manner and may require the Company to make written explanations where they identify any violation of laws, administrative regulations, the provisions of the CSRC, the business rules of the stock exchange where the stocks of the Company are listed and the Articles of Association, or any violation of the resolutions of the general meeting and the Board. Where a disclosure is required, the Company shall make timely disclosures.</u></p> <p><u>Where the Company fails to make explanations or make timely disclosures in accordance with the preceding paragraph, the independent directors may report the same to the CSRC and the stock exchange where the stocks of the Company are listed.</u></p> <p>Independent directors shall pay special attention to the connected transactions, external guarantees, the use of proceeds, the protection of public shareholders, mergers and acquisitions, material investment and financing activities, financial management, remuneration of the senior management, profit distribution, information disclosure and other matters and shall propose to convene a board meeting, propose resolutions to general meeting for consideration and approval or engage an accounting firm, law firm and other intermediaries to conduct audit and verification and provide opinions for relevant matters according to relevant rules when necessary.</p>
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<p>Independent director shall review the board resolutions included in the announcements of the Company and pay special attention to the reports and information relating the Company, and shall make inquiry to the Company in writing concerning the reports or rumor that may have a significant impact on the development and trading price of securities of the Company and urge the Company to provide written statement or clarification. Where the Company fails to do so in a timely manner as required by independent directors, independent directors may carry out investigation and report to the local branch of China Securities Regulatory Commission in the place where the Company operates, Securities and Futures Commission of Hong Kong and stock exchanges in the place where the stocks of the Company are listed.</p>	<p>Independent director shall review the board resolutions included in the announcements of the Company and pay special attention to the reports and information relating the Company, and shall make inquiry to the Company in writing concerning the reports or rumor that may have a significant impact on the development and trading price of securities of the Company and urge the Company to provide written statement or clarification. Where the Company fails to do so in a timely manner as required by independent directors, independent directors may carry out investigation and report to the local branch of China Securities Regulatory Commission in the place where the Company operates, Securities and Futures Commission of Hong Kong and stock exchanges in the place where the stocks of the Company are listed.</p>
<p>In case of disagreement between shareholders and directors which may have material effects on the operation of the Company, independent directors shall perform their duties and protect the interest of the Company as a whole and report to the local branch of China Securities Regulatory Commission and stock exchanges in the place where the stocks of the Company are listed.</p>	<p>In case of disagreement between shareholders and directors which may have material effects on the operation of the Company, independent directors shall perform their duties and protect the interest of the Company as a whole and report to the local branch of China Securities Regulatory Commission and stock exchanges in the place where the stocks of the Company are listed.</p>

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<p>Article 13 Preparing work records</p> <p>Independent directors shall record their performance of duties in the Work Records of Independent Directors including examination of the establishment and implementation of systems for production and operation, management an internal control and execution of Board resolutions, discussion with the management, and independent opinions provided at board meetings. The email, telephone conversation, short message, WeChat message and other electronic communication records shall constitute a part of the work records.</p> <p>The work records of independent directors and information provided by the Company to independent directors shall be properly kept by independent directors for at least five years. The information provided by the Company to independent directors shall be kept for five years by the Company and such independent director.</p>	<p>Article 13 Preparing work records</p> <p>Independent directors shall record their performance of duties <u>and in the Work Records of Independent Directors</u> prepare their work records, including examination of the establishment and implementation of systems for production and operation, management an internal control and execution of Board resolutions, discussion with the management, and independent opinions provided at board meetings. <u>Information obtained by the independent directors in the course of performing their duties, minutes of relevant meetings, records of communications with staff of the Company and intermediaries, etc., shall form an integral part of the work records.</u> The email, telephone conversation, short message, WeChat message and other electronic communication records shall constitute a part of the work records.</p> <p><u>Work records of independent directors and information provided by the Company to independent directors should be kept for at least ten years.</u> The work records of independent directors and information provided by the Company to independent directors shall be properly kept by independent directors for at least five years. The information provided by the Company to independent directors shall be kept for five years by the Company and such independent director.</p>
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**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
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<p>Article 14 Submitting yearly work reports</p> <p>At the annual general meeting of the Company, independent directors shall submit their yearly work reports, make a statement on their fulfilment of duties, and pay special attention to the internal control and standardized operation of the Company, protection of rights and interests of medium and small investors, and other matters relating to the governance of the Company.</p> <p>Independent directors’ work report shall contain the following items:</p> <p>(I) attendance at the Board meetings and general meetings in the previous year, including times and reasons for failure to present in person;</p> <p>(II) presentation and vote at the Board meetings, including circumstances of and reasons for waiver or veto;</p> <p>(III) investigations on the Company’s production operation, institutional improvement and implementation of Board meetings’ resolutions; discussions with the Company’s management; field researches on the Company’s major investment, production and construction projects;</p> <p>(IV) the work done to protect the legitimate rights and interests of public shareholders;</p> <p>(V) participation in trainings;</p> <p>(VI) other work done for performing the duties of independent directors in accordance with relevant rules, regulations, normative documents and the Articles of Association;</p>	<p>Article 14 Submitting yearly work reports</p> <p>At the annual general meeting of the Company, independent directors shall submit their yearly work reports, and <u>and make a statement on their fulfilment of duties, and which shall be disclosed no later than the date when the notice of the annual general meeting of the Company is despatched</u> pay special attention to the internal control and standardized operation of the Company, protection of rights and interests of medium and small investors, and other matters relating to the governance of the Company.</p> <p>Independent directors’ work report shall contain the following items:</p> <p>(I) attendance at the Board meetings and general meetings in the previous year, including times and reasons for failure to present in person;</p> <p>(II) presentation and vote at the Board meetings, including circumstances of and reasons for waiver or veto;</p> <p>(III) investigations on the Company’s production operation, institutional improvement and implementation of Board meetings’ resolutions; discussions with the Company’s management; field researches on the Company’s major investment, production and construction projects;</p> <p>(IV) the work done to protect the legitimate rights and interests of public shareholders;</p> <p>(V) participation in trainings;</p> <p>(VI) other work done for performing the duties of independent directors in accordance with relevant rules, regulations, normative documents and the Articles of Association;</p>
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<p>(VII) self-examination conclusion on whether he/she is still in compliance with provisions of independence and whether there is any change in his/her candidates' statements and commitments.</p> <p>Independent directors' work reports shall be based on their work records, specifically describing the time, place, work content and follow-up of performing duties, signed and confirmed in person before submitting to the Company for preserving and archiving together with materials of AGM.</p>	<p>(VII) self-examination conclusion on whether he/she is still in compliance with provisions of independence and whether there is any change in his/her candidates' statements and commitments.</p> <p>Independent directors' work reports shall be based on their work records, specifically describing the time, place, work content and follow-up of performing duties, signed and confirmed in person before submitting to the Company for preserving and archiving together with materials of AGM.</p>
<p>Article 15 General powers</p> <p>Independent directors of the Company shall have the general powers as stipulated by the Company Law, the Securities Law and other laws, administrative regulations, departmental rules, normative documents and self-regulatory rules and the Articles of Association.</p>	<p>Article 15 General powers</p> <p>Independent directors of the Company shall have the general powers as stipulated by the Company Law, the Securities Law, <u>the Measures for Independent Directors</u> and other laws, administrative regulations, departmental rules, normative documents and self-regulatory rules and the Articles of Association.</p>

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<p>Article 16 Special powers of independent directors</p> <p>An independent director shall have the following special powers:</p> <p>(I) to give prior approval for significant connected transaction (identified according to the standard required by the stock exchange in the place where the stocks of the Company are listed, the same below);</p> <p>(II) to propose to appoint or dismiss the accounting firm and to give prior approval for the appointment or dismissal of the accounting firm by the Company;</p> <p>(III) to propose to convene an extraordinary general meeting;</p> <p>(IV) to propose to convene a Board meeting;</p> <p>(V) to openly collect voting rights from shareholders before a general meeting is held;</p> <p>(VI) to independently appoint intermediaries to provide professional opinions if necessary at the expenses of the Company;</p> <p>(VII) to enjoy other rights stipulated by laws, administrative regulations, departmental rules, regulatory documents and the Articles of Association.</p> <p>Independent directors shall seek the consent of more than half of all the independent directors before exercising the powers under (I)-(VII) above, except for the powers independently exercised by independent directors according to the relevant regulations.</p>	<p>Article 16 Special powers of independent directors</p> <p>An independent director shall have<u>exercise</u> the following special powers:</p> <p>(I) <u>to engage an independent intermediary organization to conduct audits, consultations or verifications on specific matters of the Company;</u></p> <p>(II) <u>to make proposals to the Board for holding an extraordinary general meeting;</u></p> <p>(III) <u>to make proposals to hold Board meetings;</u></p> <p>(IV) <u>to collect shareholder’s rights from Shareholders in public in accordance with the laws;</u></p> <p>(V) <u>to express independent opinions on matters that may prejudice the interests of the Company or small and medium shareholders;</u></p> <p>(VI) <u>other duties as stipulated by the laws, administrative regulations, CSRC regulations and the Articles of Association.</u></p> <p><u>Independent directors shall seek the consent of more than half of all the independent directors before exercising the powers under (I)-(III) above.</u></p> <p><u>The Company shall make timely disclosures in respect of the exercise of the aforementioned powers by independent directors. If the exercise of the aforementioned powers is impeded, the Company shall disclose the specific circumstances and reasons.</u></p>
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	<p>(I) to give prior approval for significant connected transaction (identified according to the standard required by the stock exchange in the place where the stocks of the Company are listed, the same below);</p> <p>(II) to propose to appoint or dismiss the accounting firm and to give prior approval for the appointment or dismissal of the accounting firm by the Company;</p> <p>(III) to propose to convene an extraordinary general meeting;</p> <p>(IV) to propose to convene a Board meeting;</p> <p>(V) to openly collect voting rights from shareholders before a general meeting is held;</p> <p>(VI) to independently appoint intermediaries to provide professional opinions if necessary at the expenses of the Company;</p> <p>(VII) to enjoy other rights stipulated by laws, administrative regulations, departmental rules, regulatory documents and the Articles of Association.</p> <p>Independent directors shall seek the consent of more than half of all the independent directors before exercising the powers under (I)-(VII) above, except for the powers independently exercised by independent directors according to the relevant regulations.</p>
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<p>Article 17 Providing independent opinions on the relevant matters of the Company</p> <p>Independent directors shall give opinions to the Board of the Company or the general meeting in relation to, among others, the following matters:</p> <ul style="list-style-type: none"> (I) external guarantees; (II) material connected transactions; (III) nomination, appointment and dismissal of directors; (IV) appointment or dismissal of senior management officers; (V) remunerations and equity incentive plans for directors and senior management officers; (VI) changes in the use of proceeds; (VII) application of surplus solely for replenishing the liquidity and repaying bank borrowings; (VIII) workout of plan for conversion of capital reserve into share capital; (IX) work out of profit distribution policy, profit distribution plan and cash distribution plan; (X) changes in accounting policies and accounting estimates or correction of significant accounting errors resulting from reasons other than changes in accounting standards; 	<p>Deletion</p>
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<p>(XI) production of nonstandard unqualified audit opinions by certified public accountants on the financial reports of the Company;</p> <p>(XII) appointment and dismissal of the accounting firm;</p> <p>(XIII) acquisition by the Company's management;</p> <p>(XIV) material asset restructuring of the Company;</p> <p>(XV) share repurchase by the Company by means of centralized bidding;</p> <p>(XVI) internal control evaluation report of the Company;</p> <p>(XVII) plan for change of undertakings made by the Company to related parties;</p> <p>(XVIII) impact of the issuance of preference shares of the Company on the rights and interests of holders of each class of shares of the Company;</p> <p>(XIX) existing or new loan transactions involving a total amount of more than RMB3,000,000 or more than 5% of the latest audited net assets of the Company between the Company's shareholders, de facto controllers and connected enterprises thereof and the Company or other financial transactions, and whether the Company has taken effective measures to collect outstanding receivables;</p>	
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**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
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<p>(XX) voluntary delisting of the Company;</p> <p>(XXI) other matters which independent directors deem likely to damage the rights and interests of minor shareholders;</p> <p>(XXII) other matters stipulated by laws, administrative regulations, departmental rules, regulatory documents, self-regulatory rules and the Articles of Association or ascertained by the China Securities Regulatory Commission.</p> <p>Independent directors shall give opinions regarding the above matters in one of following way: agree; qualified opinion and the reasons; adverse opinion and the reasons; disclaimer of opinion and the relevant obstacles.</p> <p>The opinions of independent directors on the “material connected transactions” mentioned in (II) above shall at least include the following:</p> <p>(I) whether the terms of the connected transactions are fair and reasonable;</p> <p>(II) whether the connected transactions are conducted on normal commercial terms or more favourable terms and in the ordinary course of business of the Company;</p> <p>(III) whether the connected transactions are in the interests of the Company and its shareholders as a whole;</p> <p>(IV) whether the voting procedures of the Board and the general meeting on related connected transactions are legal and compliant.</p>	
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**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
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<p>If relevant matter is a matter requiring disclosures, the Company shall make a public announcement of the independent directors' opinions. If the independent directors fail to reach a consensus, the Board shall disclose the opinion of each of the independent directors.</p> <p>Before expressing their independent opinions on the voluntary delisting of the Company, independent directors shall sufficiently consult the minor shareholders on whether the matter is a benefit to the long-term development of the Company and in the interests of all shareholders, and the opinions of independent directors formed on this basis shall be announced in conjunction with the notice of the general meeting.</p>	
<p>Addition</p>	<p><u>Article 17</u> The following matters shall be submitted to the Board for deliberation with the consent of a majority of all independent directors of the Company:</p> <p>(I) <u>connected transactions that shall be disclosed;</u></p> <p>(II) <u>plans of the Company and the relevant parties for the modification or waiver of their undertakings;</u></p> <p>(III) <u>decisions made and measures taken by the Board of the Company in relation to the acquisition when the Company is acquired;</u></p> <p>(IV) <u>other matters prescribed by the laws, administrative regulations, the China Securities Regulatory Commission and the Articles of Association.</u></p>
<p>Article 18 Before making a judgment on significant connected transactions, an independent director may appoint an independent financial advisor to provide reports as a basis for his/her judgment.</p>	<p>Deletion</p>

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<p>Addition</p>	<p><u>Article 18 Convening and participating in Special Meetings of Independent Directors</u></p> <p><u>The Company shall regularly or irregularly convene meetings to be attended only by independent directors (hereinafter referred to as the “Special Meetings of Independent Directors”) to review the matters stipulated in items (I) to (III) of the first paragraph of Article 16 of these policies, and may discuss other matters of the Company as needed.</u></p> <p><u>The Special Meetings of Independent Directors shall be convened and presided over by an independent director jointly elected by more than half of the independent directors; when the convener fails or is unable to perform his/her duties, two or more independent directors may convene and elect a representative to preside over the meeting on their own.</u></p> <p><u>The convener of the Special Meetings of Independent Directors may convene the Special Meetings of Independent Directors when he/she deems necessary or when two or more independent directors convene the meeting on their own, and the notice of the meeting shall, in principle, be given to all independent directors three days prior to the meeting. In case of emergency or special events that require a meeting to be convened as soon as possible, notice of the meeting may be given to all independent directors at any time, but the convener shall make explanations at the meeting. The office of the Board of the Company shall perform the specific work of issuing the notice of meeting and arranging the affairs of the meeting for the convener, unless the convener (or the independent directors convening the meeting on their own) expressly raise objection.</u></p>
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**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
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	<p><u>A written resolution or review opinion shall be formed in accordance with the voting results of the matters discussed at the Special Meetings of Independent Directors, and the independent directors attending the meeting shall sign on the resolution or review opinion. The written resolution or review opinion of the meeting shall be kept by the secretary of the Board of the Company and shall be arranged for disclosure (if applicable).</u></p>
<p>Article 19 Participating in the special committees of the Board</p> <p>Independent directors shall have the right to participate in special committees such as audit, nomination, remuneration and assessment committees under the Board, and act as convener and account for more than half of the members of the committees.</p>	<p>Article 19 Participating in the special committees of the Board</p> <p>Independent directors shall have the right to participate in special committees such as audit, nomination, remuneration and assessment committees under the Board, and act as convener and account for more than half of the members of the committees, <u>of which the conveners of the audit committee shall be accounting professionals among the independent directors.</u></p>

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<p>Article 21 Requiring the Company and relevant personnel to provide support and assistance for performing duties</p> <p>.....</p> <p>(IV) provide independent directors with meeting places in case they deem it necessary to convene a meeting of independent directors only;</p> <p>.....</p> <p>(VI) require the Company’s relevant personnel in charge to cooperate in signing and confirming major issues involved in independent directors’ work records relating to their performance of duties;</p> <p>.....</p> <p>In case of any obstruction while exercising the power conferred by laws and regulations, independent directors may report the relevant situation to the Board of the Company and require the management or the secretary of the Board to offer cooperation, and record the fact of encountering obstructions and solutions into work records and may report to the local branches of the China Securities Regulatory Commission or the stock exchange in the place where the shares of the Company are listed.</p>	<p>Article 21 Requiring the Company and relevant personnel to provide support and assistance for performing duties</p> <p>.....</p> <p>(IV) provide independent directors with meeting places in case they deem it necessary to convene a meeting of independent directors only <u>the Special Meetings of Independent Directors</u>;</p> <p>.....</p> <p>(VI) require the Company’s relevant personnel in charge to cooperate in signing and confirming major issues involved in independent directors’ work records relating to their performance of duties;</p> <p>.....</p> <p>In case of any obstruction while exercising the power conferred by laws and regulations, independent directors may report the relevant situation to the Board of the Company and require the management or the secretary of the Board to offer cooperation, and record the fact of encountering obstructions and solutions into work records and may report to the local branches of the China Securities Regulatory Commission or the stock exchange in the place where the stock of the Company are listed.</p>
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**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
OF THE INDEPENDENT DIRECTORS**

<p>Article 25 Carrying out work of special committees of the Board</p> <p>Special committees of the Board act as an important form for independent directors to exercise powers.</p> <p>An independent director who acts as the chairman of special committees of the Board shall organize and carry out the work of special committees in accordance with duties and powers, convene meetings of special committees in a timely manner in accordance with regulations to form committees’ opinions, or provide deliberative opinions on special matters under the authorization of the Board.</p> <p>An independent director who acts as a member of special committees of the Board shall continue to follow up the Company’s operations and management related matters within the scope of the special committees’ duties, participate in special committees’ meetings, put forward relevant opinions in accordance with the Rules of Procedure and submit to the special committees for attention.</p>	<p>Article 25 Carrying out work of special committees of the Board</p> <p>Special committees of the Board act as an important form for independent directors to exercise powers.</p> <p>An independent director who acts as the chairman of special committees of the Board shall organize and carry out the work of special committees in accordance with duties and powers, convene meetings of special committees in a timely manner in accordance with regulations to form committees’ opinions, or provide deliberative opinions on special matters under the authorization of the Board.</p> <p>An independent director who acts as a member of special committees of the Board shall <u>attend the special committees’ meetings in person.</u> <u>Where an independent director is unable to attend the meeting in person due to certain reasons, he/she shall review the materials for the meeting in advance, form clear opinions, and appoint another independent director in writing to attend the meeting on his/her behalf.</u> <u>When the independent directors notice significant matters of the Company within the scope of the duties of the special committees in the course of performing their duties, they may timely submit to the special committees for discussion and consideration in accordance with the procedures.</u> continue to follow up the Company’s operations and management related matters within the scope of the special committees’ duties, participate in special committees’ meetings, put forward relevant opinions in accordance with the Rules of Procedure and submit to the special committees for attention.</p>
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**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
OF THE INDEPENDENT DIRECTORS**

<p>Article 26 Considering and approving external guarantees</p> <p>Independent directors shall understand the basic information of the guaranteed party including operating and financial status, credit status and taxation when reviewing external guarantees, and make prudent judgments on the guaranteed party's ability to repay debts and the counter guarantee's actual affordability. Independent directors may request the Company to provide relevant information needed to make a judgment if necessary.</p> <p>Independent directors shall pay special attention to whether the relevant review content and procedures of the Board meetings meet the requirements of the normative documents issued by the relevant regulatory agencies.</p> <p>Independent directors shall provide independent opinions on the Company's external guarantees, and in particular, make special explanation on the Company's accumulated and current external guarantees and the implementation of the above provisions in the annual report, and provide independent opinions. An accounting firm or other securities intermediary service agencies may be engaged to conduct the audit examination of the Company's accumulated and current external guarantees when necessary. When the Company's illegal external guarantees are corrected, the independent directors shall issue special opinions. In the course of reviewing the Company's external guarantees, independent directors shall promptly report to the Board of the Company to take corresponding measures if any abnormalities are discovered, or report to the local branches of the China Securities Regulatory Commission or the stock exchange in the place where the shares of the Company are listed when necessary (if required).</p>	<p>Deletion</p>
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APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES OF THE INDEPENDENT DIRECTORS

<p>Article 27 Considering and approving connected transactions</p> <p>Independent directors shall pay attention to the transactions and financial transactions between the Company and its connected parties to determine whether there exists any misappropriation or transfer of the funds, assets and other resources of the Company by the controlling shareholder, the de facto controller or its connected parties. Any irregularities found by the independent directors shall be reported to the Board promptly for relevant measures to be taken and report to the local branches of the China Securities Regulatory Commission when necessary or the stock exchange in the place where the shares of the Company are listed (if required).</p> <p>All major connected transactions shall be endorsed by independent directors before being submitted to the Board for consideration. The endorsement of independent directors shall be approved by the majority of independent directors and disclosed in announcement on the connected transaction.</p> <p>For specific connected transaction, independent directors shall make prudent judgment on the necessity, actual intention and the impact of the connected transaction on the Company and pay special attention to the pricing policy and basis of the transaction, the fairness of valuation and the inter relationship between the transaction price and carrying amount or valuation of the transaction subject.</p> <p>Where the Board considers any connected transaction, independent directors shall pay special attention to whether the transaction complies with the requirements imposed by the relevant regulatory authorities, listing rules of the stock exchange or self-regulatory rules</p> <p>Independent directors may engage intermediaries to issue a special report as the basis of their judgment before making judgment.</p>	<p>Article 27 Article 26 Considering and approving connected transactions</p> <p>Independent directors shall pay attention to the transactions and financial transactions between the Company and its connected parties to determine whether there exists any misappropriation or transfer of the funds, assets and other resources of the Company by the controlling shareholder, the de facto controller or its connected parties. Any irregularities found by the independent directors shall be reported to the Board promptly for relevant measures to be taken and report to the local branches of the China Securities Regulatory Commission when necessary or the stock exchange in the place where the shares of the Company are listed (if required).</p> <p>All major connected transactions that should be disclosed shall be considered at the <u>Special Meetings of Independent Directors and approved</u> endorsed by a majority of independent directors before being submitted to the Board for consideration. The endorsement of independent directors shall be approved by the majority of independent directors and disclosed in announcement on the connected transaction.</p> <p>For specific connected transaction, independent directors shall make prudent judgment on the necessity, actual intention and the impact of the connected transaction on the Company and pay special attention to the pricing policy and basis of the transaction, the fairness of valuation (if applicable) and the inter relationship between the transaction price and carrying amount or valuation of the transaction subject (if applicable).</p> <p>Where the Board considers any connected transaction, independent directors shall pay special attention to whether the transaction complies with the requirements imposed by the relevant regulatory authorities, listing rules of the stock exchange or self-regulatory rules.</p> <p>Independent directors may engage intermediaries to issue a special report as the basis of their judgment before making judgment.</p>
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**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
OF THE INDEPENDENT DIRECTORS**

<p>Article 28 Considering and approving the projects and use of the raised proceeds</p> <p>Independent directors shall pay attention to the use of the raised proceeds of the Company and urge the Company to establish a system for the management and use of the raised proceeds so as to control investment risks and ensure the safety of proceeds.</p> <p>Independent directors shall pay attention to any discrepancy between the actual use of the proceeds and the information disclosure of the Company. With the consent of more than half of the independent directors, an accounting firm may be engaged to issue a verification report on the deposit and use of the raised proceeds.</p> <p>Where the Company needs to change the use of the raised proceeds, utilize idle proceeds for investment, temporarily utilize to supplement liquidity and utilize the raised proceeds to replace self-raised proceeds invested in advance in projects, independent directors, before providing independent opinions, shall request relevant personnel to conduct analysis and demonstration on the feasibility of the new investment project, project returns and risk forecasts.</p> <p>Independent directors shall provide independent opinions on the Company’s change of the use of the raised proceeds on the basis of the above work.</p>	<p>Deletion</p>
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**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
OF THE INDEPENDENT DIRECTORS**

<p>Article 29 Considering and approving profit distribution</p> <p>Independent directors shall participate in formulating the profit distribution policy and pay attention that whether the profit distribution plan and cash dividend plan are a benefit to the long-term development of the Company and in interest of medium and minority investors. When the Company formulates the specific plan for cash dividends, independent directors shall carefully study and demonstrate the timing, conditions, minimum ratio and adjustment conditions of the cash dividends, the Company’s decision-making procedure and other matters and provide definite opinions. Independent directors may solicit the opinions of medium and minority shareholders, present cash dividend proposals and submit them directly to the Board for deliberation.</p> <p>If no cash dividend plan has been proposed for the annual profit of the Company, independent directors shall urge the Company to disclose the reasons in the annual report and the use of undistributed profits retained in the Company.</p> <p>Independent directors shall express independent opinions as required by regulatory authorities on situations where no cash dividends are paid even the Company is able to do so, the level of cash dividends is low or the proportion of cash dividends is large.</p>	<p>Deletion</p>
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**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
OF THE INDEPENDENT DIRECTORS**

<p>Article 30 Considering and approving the appointment and dismissal of accounting firm</p> <p>Where the Company appoints or dismisses an accounting firm, independent directors shall pay attention that whether the accounting firm so appointed is qualified for securities related business or has relevant experience, whether the reasons for dismissing the accounting firm is justified, whether the proposal has been endorsed by the majority of independent directors in advance, whether the audit committee of the Board has provided its opinions and whether the proposal has been proposed at the general meeting for approval after being considered and approved by the board meeting, and record above items.</p>	<p>Deletion</p>
<p>Article 31 Consideration of acquisition of the management</p> <p>When the Directors, Supervisors, Senior Management, employees of the Company or its controlled or entrusted corporation, other organizations or natural person propose for acquisition of the Company, the independent directors shall engage an independent financial advisor to issue professional opinions on the acquisition before providing their opinions. The opinions of the independent directors and independent financial advisor shall be published jointly.</p>	<p>Deletion</p>

**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
OF THE INDEPENDENT DIRECTORS**

<p>Article 32 Considering and approving the annual report</p> <p>Independent directors shall supervise and urge the Company to establish working rules on annual report of independent directors, including reporting and communication systems.</p> <p>In the course of preparing and disclosing the Company’s annual report, independent directors shall, in conjunction with the Company’s audit committee, perform their duties earnestly and be diligent and responsible in accordance with the law. Specifically:</p> <p>(I) Independent directors shall debrief the Company’s management and chief financial officer on the production and operation, standardized operation and financial aspects of the Company for the year, as well as the progress of major issues including investment and financing activities, and personally participate in field inspections of relevant major projects as far as possible.</p> <p>Independent directors shall attach importance to whether the report of the Company’s management includes but not limited to the following content, and include the information in the work record upon debriefing:</p> <p>1. the production and operation of the year, especially the changes in the operating conditions or the environment;</p>	<p>Deletion</p>
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**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
OF THE INDEPENDENT DIRECTORS**

<p>2. the Company’s financial position;</p> <p>3. use of the raised proceeds;</p> <p>4. major investments;</p> <p>5. financing;</p> <p>6. connected transactions;</p> <p>7. external guarantees;</p> <p>8. other conditions related to standardized operation.</p> <p>(II) Independent directors shall participate in the meeting with the certified public accountant of annual audit in conjunction with the Company’s audit committee to communicate with the certified accountants on the members of audit team, audit plan, risk judgment, the testing and evaluation of risks and corruption, key points of annual audit, etc. before the commencement of annual audit by the certified public accountant, especially focusing on the Company’s performance forecast and corrections thereof. Independent directors shall attach importance to whether the Company arranges the above meeting in a timely manner and provides relevant support, and include the information in the work record.</p>	
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APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES OF THE INDEPENDENT DIRECTORS

(III) Upon preliminary auditing opinions issued by such certified public accountant of annual audit and prior to the convening of the Board meeting at which the annual report is to be considered, independent directors shall attend the meeting with the certified public accountant of annual audit again to communicate the preliminary auditing opinions. Independent directors shall pay attention to whether the Company arranges the above meeting in a timely manner and provides relevant support, and include the information in the work record.

(IV) For the Board meeting to consider the annual report, independent directors need to pay attention to the procedures for convening the Board meeting, the proposal procedures for relevant matters, decision-making authority, voting procedures, withdrawal matters, submission time and completeness of proposal materials. If inconsistency with the provisions related to the convening of the Board meetings and deficiencies of the basis of judgment are discovered, independent directors shall suggest to supplement the information, rectify the inconsistencies or postpone the meeting.

The communication procedures, opinions and requirements mentioned above shall be recorded in writing and signed by the persons involved.

**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
OF THE INDEPENDENT DIRECTORS**

<p>Article 33 Consideration on other matters</p> <p>(I) For the scope of authorization of the Board of the Company, independent directors should make prudent judgment on the scope, legitimacy, rationality and risk of authorization, and pay full attention to whether they exceed the scope of authorization specified in the Articles of Association, Rules of Procedure of the general meeting and Rules of Procedure of the Board, and whether there are significant risks in the scope of authorization.</p> <p>(II) Independent directors shall express independent opinions on the nomination, appointment and removal of the Company’s directors. When considering the nomination, appointment and removal of the Company’s directors, independent directors shall pay attention to whether the procedures for the nomination, appointment and removal of relevant personnel may have a significant impact on the Company’s operation, development and corporate governance, and whether the procedures are complete.</p> <p>(III) Independent directors shall express independent opinions on the Company’s appointment or dismissal of senior management officers. When considering the appointment or dismissal of senior management officers, independent directors shall pay attention to whether the procedures for the nomination, appointment and removal of relevant personnel may have a significant impact on the Company’s operation, development and corporate governance, and whether the procedures are complete.</p>	<p>Deletion</p>
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**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
OF THE INDEPENDENT DIRECTORS**

(IV) The independent directors shall provide independent opinions on the remuneration of Directors and Senior Management of the Company and the equity incentive plans. When considering the remuneration of Directors and Senior Management of the Company and the draft of equity incentive plans, the independent directors shall pay attention to whether the remuneration of Directors and Senior Management and the equity incentive plans are beneficial to the long-term development of the Company and the possibility of damage to the interests of medium and small investors. When the Company convenes general meeting for the approval of the equity incentive plans, the independent directors shall solicit voting rights from all shareholders for the equity incentive plans. If the independent directors deem necessary, they may suggest the Company to engage independent financial advisor to provide professional opinions on the feasibility of the equity incentive plans, whether it is beneficial to the sustainable development of the Company and whether it will damage the interests of the Company as well as the impact on the interests of shareholders. If no independent financial advisor has been engaged based on the suggestion, the Company shall provide special explanation in this regard.

(V) Where independent opinions from the independent directors shall be provided on the formulation of plan for conversion of capital reserve into share capital, the independent directors shall pay attention to whether the plan is beneficial to the long-term development of the Company and the possibility of damage to the interests of medium and small investors when considering the plan for conversion of capital reserve into share capital of the Company.

**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
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(VI) Where independent opinions from the independent directors shall be provided on the changes in accounting policies and accounting estimates or correction of significant accounting errors resulting from reasons other than changes in accounting policies, the independent directors shall pay attention to whether the Company is misleading the investors with the above adjustments of profit in each period. If the independent directors deem necessary, they may suggest the Company to engage an independent financial advisor to provide professional opinions on the feasibility of the changes in accounting policies and accounting estimates and correction of significant accounting errors, and whether it is beneficial to the sustainable development of the Company.

(VII) Independent directors shall express independent opinions on the Company's material assets reorganization. For material assets reorganization and related assets appraisal, independent directors should pay attention to the independence of assets appraisal firms, the reasonableness of evaluation assumptions, the fairness of pricing of the evaluation and the rationality and compliance of reorganization plans on the basis of full understanding of relevant information; if such material assets reorganization constitute connected transactions, the independent directors may engage an independent financial advisor to give opinions regarding the impacts of such transaction on nonrelated shareholders.

APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES OF THE INDEPENDENT DIRECTORS

(VIII) The independent directors shall provide independent opinions on the share repurchase of the Company by means of centralized bidding. For repurchase of the Company, the independent director shall pay attention to whether the repurchase proposal is in compliance with the relevant laws, regulations, provisions and rules, and may analyse the necessity of repurchase based on factors including the purpose of share repurchase, performance of share price and value analysis of Company, as well as the feasibility of the share repurchase proposal based on factors including the amount and sources of the capital required for share repurchase.

(IX) Independent directors shall express independent opinions on the internal control evaluation report of the Company. For the internal control evaluation report of the Company, the independent directors shall pay attention to whether the content of the report is complete and whether the relevant information is true.

**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
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(X) Independent directors shall express independent opinions on the plan for change of undertakings made by the Company to related parties. Regarding to the commitments made by the Company to related parties (the Company and its de facto controllers, shareholders, related parties and acquirers) in the process of IPO, refinancing, share reforms, mergers and acquisitions and special corporate governance activities to resolve horizontal competition, asset injection, equity incentives, and property rights defects, except for those which are indeed unable to be fulfilled or the fulfillment of which is not conducive to safeguarding the Company’s rights and interests due to relevant laws and regulations, policy changes, natural disasters and other objective reasons beyond control, the independent directors shall express opinions on the plan for change of undertakings made by the Company to related parties. When expressing opinions, independent directors shall pay attention to whether the relevant plan for change of undertakings is legal and compliant, and whether it is conducive to protecting the interests of the Company or other investors.

**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
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<p>Article 34 Independent opinions issued by the independent directors</p> <p>Independent opinions offered by independent directors with regard to relevant matters of the Company shall include at least the followings:</p> <p>(I) basic information of the relevant matters;</p> <p>(II) basis for giving opinions, including the procedures performed, the documents for review, the content of the on-site inspection, etc.;</p> <p>(III) legality and compliance of the relevant matters;</p> <p>(IV) impacts on the rights and interests of the Company or the small and medium investors, any potential risks and whether the measures taken by the Company work;</p> <p>(V) conclusive opinions. In case of qualified opinion or dissenting opinion, or in case no opinions can be given with regard to the relevant matters, the independent director concerned shall clearly state the reasons.</p> <p>Independent directors shall sign the independent opinions for confirmation and submit the same to the Board in a timely manner.</p>	<p>Article 34Article 27 Independent opinions issued by the independent directors</p> <p>Independent opinions offered by independent directors with regard to relevant <u>material</u> matters of the Company shall include at least the followings:</p> <p>(I) basic information of the relevant <u>material</u> matters;</p> <p>(II) basis for giving opinions, including the procedures performed, the documents for review, the content of the on-site inspection, etc.;</p> <p>(III) legality and compliance of the relevant <u>material</u> matters;</p> <p>(IV) impacts on the rights and interests of the Company or the small and medium investors, any potential risks and whether the measures taken by the Company work;</p> <p>(V) conclusive opinions. In case of qualified opinion or dissenting opinion, or in case no opinions can be given with regard to the relevant <u>material</u> matters, the independent director concerned shall clearly state the reasons <u>and obstacles for inability to express opinions</u>.</p> <p>Independent directors shall sign the independent opinions for confirmation and submit the same to the Board in a timely manner <u>and disclose the same with relevant announcements of the Company</u>.</p>
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**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
OF THE INDEPENDENT DIRECTORS**

<p>Article 39 Postponement of the meeting or consideration</p> <p>Where two or more than two independent directors conclude that the information on matters to be considered and approved in the meeting is insufficient or the reasoning is unclear, they may jointly request the Board in writing for postponement of the Board meeting or consideration of such matters.</p> <p>For the Board meeting for considering and approving the annual report, if the postponement of the meeting or consideration may result in the failure to disclose annual report as scheduled, independent directors shall require the Company to immediately report to the stock exchange where the Company's shares are listed (if required).</p>	<p>Article 39 Article 32 Postponement of the meeting or consideration</p> <p>Where two or more than two independent directors conclude that the information on <u>matters to be considered and approved in materials for the meeting are incomplete, insufficiently justified or not provided in a timely manner</u> is insufficient or the reasoning is unclear, they may jointly request the Board in writing for postponement of the Board meeting or consideration of such matters.</p> <p>For the Board meeting for considering and approving the annual report, if the postponement of the meeting or consideration may result in the failure to disclose annual report as scheduled, independent directors shall require the Company to immediately report to the stock exchange where the Company's shares are listed (if required).</p>
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**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
OF THE INDEPENDENT DIRECTORS**

<p>Article 41 Supervision on proceedings of meetings</p> <p>In the course of the Board meetings, independent directors shall pay attention to the legality of the proceedings of meetings so as to prevent defects in the proceedings of meetings. Independent directors shall pay special attention to whether the following procedural rules of the Board meetings are strictly observed:</p> <p>(I) Resolutions that need to be approved in advance by independent directors or reviewed in advance by the special committees of the Board as required by regulations shall not be considered and approved at the Board meetings without the written approval of independent directors or the written review opinions submitted by the special committees to the Board meetings;</p> <p>(II) Once the specific agenda of a meeting is determined, the subject matters shall not be arbitrarily added or deleted or reordered, nor shall they be merged or split up arbitrarily;</p> <p>(III) Except with the unanimous consent of all directors present at the meeting, the Board meetings shall not vote on resolutions which are not presented in the meeting notice.</p>	<p>Article 41 Article 34 Supervision on proceedings of meetings</p> <p>In the course of the Board meetings, independent directors shall pay attention to the legality of the proceedings of meetings so as to prevent defects in the proceedings of meetings. Independent directors shall pay special attention to whether the following procedural rules of the Board meetings are strictly observed:</p> <p>(I) Resolutions that need to be <u>considered</u> in advance by <u>the Special Meetings of Independent Directors</u> or reviewed in advance by the special committees of the Board as required by regulations shall not be considered and approved at the Board meetings without the <u>consideration of the Special Meetings of Independent Directors</u> or the written review opinions submitted by the special committees to the Board meetings;</p> <p>(II) Once the specific agenda of a meeting is determined, the subject matters shall not be arbitrarily added or deleted or reordered, nor shall they be merged or split up arbitrarily;</p> <p>(III) Except with the unanimous consent of all directors present at the meeting, the Board meetings shall not vote on resolutions which are not presented in the meeting notice.</p>
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**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
OF THE INDEPENDENT DIRECTORS**

<p>Article 42 Supervision on forms of meetings</p> <p>Independent directors shall pay attention to whether the forms of Board meetings meet the following relevant requirements:</p> <p>.....</p> <p>(II) For any resolution which is to be considered and approved by way of a Board resolution without a real need for on-site communication and discussion among directors, relevant resolution can be made by way of telecommunications. If laws, regulations, normative documents and Articles of Association provide otherwise or regarding material resolutions that shall be approved by more than two-thirds of directors, it is not appropriate to hold meetings by way of telecommunications;</p> <p>.....</p>	<p>Article 42Article 35 Supervision on forms of meetings</p> <p>Independent directors shall pay attention to whether the forms of Board meetings meet the following relevant requirements:</p> <p>.....</p> <p>(II) For any resolution which is to be considered and approved by way of a Board resolution without a real need for on-site communication and discussion among directors, relevant resolution can be made by way of telecommunications. If laws, regulations, normative documents and Articles of Association provide otherwise or regarding material resolutions that shall be approved by more than two-thirds of directors, it is not appropriate to hold meetings by way of telecommunications;</p> <p>.....</p>
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**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
OF THE INDEPENDENT DIRECTORS**

<p>Article 45 Minutes of the meetings</p> <p>Independent directors shall supervise and urge the Company to prepare minutes of Board meetings. Upon completion of the proceedings of the Board meetings, independent directors shall sign the minutes and resolutions of meeting for confirmation on behalf of themselves or the directors appointing them to attend the meetings. If any independent director holds dissenting opinions to the minutes of meetings or the records of resolutions, he/she may make a written note when signing his/her name.</p>	<p>Article 4538 Minutes of the meetings</p> <p>Independent directors shall supervise and urge the Company to prepare minutes of Board meetings, <u>which shall include the opinions of independent directors.</u> Upon completion of the proceedings of the Board meetings, independent directors shall sign the minutes and resolutions of meeting for confirmation on behalf of themselves or the directors appointing them to attend the meetings. If any independent director holds dissenting opinions to the minutes of meetings or the records of resolutions, he/she may make a written note when signing his/her name.</p>
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**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
OF THE INDEPENDENT DIRECTORS**

<p>Article 46 Materials management</p> <p>The inquiries, investigations, and discussions conducted by the independent directors on the resolutions of the meeting and related matters shall be filed, and various correspondence, faxes, e-mails and other materials with the Company shall be kept, and work-related communication with the staff of the Company shall be recorded for key points afterwards.</p> <p>If the Board meeting is held by telephone or video, independent directors shall require sound recording and video recording, and shall review and save electronic copies after the meeting.</p> <p>The aforementioned materials, together with the paper and electronic materials provided by the Company to independent directors, shall be sorted out in a timely manner and properly kept by independent directors, and the Company may be required to provide corresponding assistance when necessary.</p>	<p>Article <u>4639</u> Materials management</p> <p>The inquiries, investigations, and discussions conducted by the independent directors on the resolutions of the meeting and related matters shall be filed, and various correspondence, faxes, e-mails and other materials with the Company shall be kept, and work-related communication with the staff of the Company shall be recorded for key points afterwards.</p> <p>If the Board meeting is held by telephone or video, independent directors shall <u>may</u> require sound recording and video recording, and shall review and save electronic copies after the meeting.</p> <p>The aforementioned materials, together with the paper and electronic materials provided by the Company to independent directors, shall be sorted out in a timely manner and properly kept by independent directors, and the Company may be required to provide corresponding assistance when necessary.</p>
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**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
OF THE INDEPENDENT DIRECTORS**

<p>Article 47 Information disclosure after the meetings</p> <p>After the Board meetings or the relevant general meetings, independent directors shall urge the Company and other information disclosure obligators to timely perform the disclosure obligations required by laws, regulations, provisions and other normative documents.</p> <p>Independent directors may require the Company to notify them of the name of the newspaper containing the public information and the location of the information published or the text of the information disclosed on the internet and its network address within two days after the public disclosure of the information.</p> <p>Independent directors shall review the information publicly disclosed by the Company, and shall promptly notify, inquire and urge the Company to make clarifications or corrections if they find any inconsistency between the information disclosed and the resolutions of the Board meetings or the facts, irregular methods or other doubts. If the Company fails to provide cooperation in a timely manner, independent directors may report to the local branches of the China Securities Regulatory Commission, the Securities and Futures Commission of Hong Kong or the stock exchange where the Company's shares are listed (if required).</p>	Deletion
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**APPENDIX XII PROPOSED AMENDMENTS TO THE WORK POLICIES
OF THE INDEPENDENT DIRECTORS**

<p>Article 50 Subject to the approval by the general meeting, these policies shall come into effect on the date of the public offering of overseas listed foreign shares (H shares) of the Company and their listing on The Stock Exchange of Hong Kong Limited. From the effective date of these policies, the former Work Policies of the Independent Directors of WuXi AppTec Co., Ltd. shall automatically lapse.</p>	<p>Article 50Article 42 Subject to the approval by the general meeting, These policies shall come into effect on the date of <u>the approval by the general meeting</u> the public offering of overseas listed foreign shares (H shares) of the Company and their listing on The Stock Exchange of Hong Kong Limited. From the effective date of these policies, the former Work Policies of the Independent Directors of WuXi AppTec Co., Ltd. shall automatically lapse.</p>
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Except for the above revisions and additions/deletions of provisions and the corresponding adjustment of the order of provisions as a result of the revisions and additions/deletions, the other provisions of the Work Policies of the Independent Directors remain unchanged.

The full text of the proposed amendments to the Work Policies of the Independent Directors were prepared in the Chinese language. In the event of any discrepancy between the English translation and the Chinese version, the Chinese version shall prevail.

APPENDIX XIII PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE A SHARES AND/OR H SHARES

In order to meet the needs of the Company's business development, consolidate its leading position in the field of pharmaceutical R&D services and further enhance its capital and comprehensive strength and enhance decision-making efficiency in order to seize market opportunities, in accordance with the "Company Law of the People's Republic of China", the "Securities Law of the People's Republic of China", and other relevant laws and regulations, the listing rules of the stock exchanges in the place where the shares of the Company are listed and the Articles of Association of WuXi AppTec Co., Ltd.*, the Board of Directors of the Company intends to propose at the 2023 AGM to generally and unconditionally authorize the Board of Directors to re-delegate the Chairman and its authorized persons to determine to allot, issue and deal with the A shares and/or H shares of up to 20% of the number of the A shares and/or H shares in issue of the Company, or securities which may be converted into such shares, share options, warrants, or the similar rights to subscribe for the A shares and/or H shares of the Company (excluding warrants, options or similar rights to subscribe for (i) any new Shares or (ii) any securities convertible into new Shares for cash consideration) (hereinafter referred to as the "**Similar Rights**", and the above-mentioned authorization is hereinafter referred to as the "**General Mandate**") separately or simultaneously. In accordance with the requirements of the relevant laws and regulations in China, even if the General Mandate is obtained, the Company shall still be approved at the general meeting for the issuance of any A shares. The specific authorization is as follows:

- I. To generally and unconditionally authorize the Board of Directors to re-delegate the Chairman and its authorized persons to determine to allot, issue and deal with the A Shares and/or H Shares or similar rights separately or simultaneously, and to determine the terms and conditions for allotment, issuance and disposal of new shares or issue similar rights, including but not limited to:
 1. Class and number of new shares to be issued;
 2. Pricing mechanism and/or issue price of the new shares to be issued (including price range);
 3. The starting and closing dates of such issue;
 4. The class and number of the new shares to be issued to existing shareholders; and/or

**APPENDIX XIII PROPOSED GRANTING OF GENERAL MANDATE TO
ISSUE A SHARES AND/OR H SHARES**

5. To make or authorize the share offer, agreements, share options, conversion rights or other rights (including the relevant rights under the share incentive plans of the Company, unless otherwise required by applicable laws and regulations) that may require the exercise of such rights.
- II. The number of the A Shares and/or H Shares (excluding the shares issued by way of the conversion of public reserve into share capital) to be allotted, issued and dealt with (whether pursuant to an option or otherwise) by the Board of Directors or the Chairman and its authorized persons separately or simultaneously in accordance with the General Mandate referred to in first paragraph above shall not exceed 20% of the number of the A Shares and/or H Shares of such class in issue of the Company at the time when this resolution is passed at the 2023 AGM.
 - III. Where the Board of Directors or the Chairman and its authorized persons have, during the effective period of the mandate specified in the seventh paragraph of this resolution, determined to allot, issue and deal with the A shares and/or H shares or similar rights, and the Company also has, during the effective period of the mandate, obtained the relevant approval, permission from, or registration (if applicable) with the regulatory authorities, the Board of Directors of the Company or the Chairman and its authorized persons may, during the effective period of such approval, permission or registration, complete the relevant allotment, issuance and disposal of such shares.
 - IV. To authorize the Board of Directors or the Chairman and its authorized persons to obtain an approval from all relevant government departments and/or regulatory authorities (if applicable) in accordance with the applicable laws as amended from time to time (including but not limited to the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange and the applicable laws and regulations of the regulatory authorities of the places where the shares of the Company are listed) to exercise the General Mandate.
 - V. To authorize the Board of Directors or the Chairman and its authorized persons to approve, execute and do or procure to be executed and done, all such documents, deeds and things as it may consider necessary in connection with the allotment, issuance and disposal of any new shares under the abovementioned General Mandate, handle the necessary procedures and take other necessary actions.

**APPENDIX XIII PROPOSED GRANTING OF GENERAL MANDATE TO
ISSUE A SHARES AND/OR H SHARES**

- VI. To authorize the Board of Directors or the Chairman and its authorized persons to increase the registered capital of the Company and make appropriate and necessary amendments to the Articles of Association of the Company in accordance with the way, type and number of the allotment and issuance of new shares of the Company and the actual shareholding structure of the Company upon completion of the allotment and issuance of new shares.
- VII. The effective period of the General Mandate shall be from the passing of this resolution to the following date, whichever is earlier:
- (1) from the date when this resolution is passed at the 2023 AGM of the Company until the expiry of 12 months since then;
 - (2) the date of conclusion of the 2024 annual general meeting of the Company; or
 - (3) at the time of passing a special resolution by the shareholders of the Company at the general meeting to revoke or vary the mandate under this resolution.

APPENDIX XIV PROPOSED GRANTING OF REPURCHASE MANDATE

In order to meet the need of the Company's business development, in accordance with the requirements of relevant laws and regulations, the listing rules of the stock exchanges in the place where the shares of the Company are listed and the Articles of Association of WuXi AppTec Co., Ltd.* (the "**Articles of Association**"), the Board of Directors of the Company intends to propose at the 2023 AGM to generally and unconditionally authorize the Board of Directors to repurchase the A shares and/or H shares of the Company. The specific authorization is as follows:

- I. Subject to the restrictions set forth in Items II and III below, the exercise by the Board of Directors during the Relevant Period of all the powers of the Company to repurchase the A shares listed on the Shanghai Stock Exchange and the H Shares listed on the Hong Kong Stock Exchange, subject to and in accordance with all applicable laws, regulations and rules and/or requirements of the governmental or regulatory body of securities in the PRC, The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**"), the Shanghai Stock Exchange (the "**SSE**") or any other governmental or regulatory body be and is hereby approved;
- II. The aggregate nominal amount of A shares and/or H Shares of the Company authorized to be repurchased by the Company pursuant to the approval mentioned above during the Relevant Period shall not exceed 10% of the number of A shares and/or H Shares in issue of the Company as at the date of the passing of this resolution at the 2023 AGM, the 2024 Second A Share Class Meeting and the 2024 Second H Share Class Meeting of the Company;
- III. The first approval mentioned above shall be conditional upon satisfaction of all the following conditions:
 1. The passing of a special resolution with the same terms as this resolution at both the 2024 Second H Share Class Meeting and the 2024 Second A Share Class Meeting of the Company;
 2. The obtainment of an approval from all relevant regulatory authorities having jurisdiction over the Company (if applicable) as required by the laws, regulations and rules of the PRC; and
 3. The Company not being required by any of its creditors to repay or to provide guarantees in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, at its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedures under the "Company Law of the People's Republic of

APPENDIX XIV PROPOSED GRANTING OF REPURCHASE MANDATE

China” and the Articles of Association of the Company. If the Company determines to repay any amount to any of its creditors, the Company will do so out of its internal funds.

IV. Subject to the approval of all relevant government authorities in the PRC for the repurchase of such shares of the Company being granted and subject to the abovementioned conditions, the Board of Directors be and is hereby authorized to:

1. Formulate and implement the specific repurchase plans, including but not limited to repurchase price and number of repurchased shares, and determine the time and duration of repurchase, etc.;
2. Notify creditors and issue announcements in accordance with the requirements of the relevant laws, regulations, normative documents and the Articles of Association;
3. Open overseas share accounts and carry out the related changes of foreign exchange registration procedures;
4. Carry out the relevant approval and filing procedures as required by regulatory authorities and the stock exchanges in the place where the shares of the Company are listed;
5. Carry out, execute and implement all such documents, do all such acts and things or take any steps as they consider desirable, necessary or expedient in connection with and to give effect to the repurchase of shares in accordance with the requirements of relevant laws and regulations and the listing rules of the stock exchanges in the place where the shares of the Company are listed;
6. Carry out the cancellation procedures for repurchased shares, reduce the registered capital, and make amendments which it deems appropriate to the Articles of Association of the Company to reflect the relevant provisions such as the total share capital and shareholding structure of the Company, and carry out the relevant statutory registrations and filings procedures in the PRC and abroad; and
7. Execute and handle other documents and matters related to the repurchase of shares.

APPENDIX XIV PROPOSED GRANTING OF REPURCHASE MANDATE

- V. For the purpose of this resolution, the “**Relevant Period**” means the period from the passing of this resolution at the general meeting of the Company and the passing of those resolutions having the same terms with this resolution at the 2024 Second A Share Class Meeting and the 2024 Second H Share Class Meeting, respectively, until whichever is the earliest of:
1. Upon conclusion of the 2024 annual general meeting of the Company;
 2. The expiration of a period of twelve months following the passing of this resolution at the 2023 AGM of the Company and the passing of those resolutions having the same terms with this resolution at its 2024 Second A Share Class Meeting and 2024 Second H Share Class Meeting, respectively; or
 3. The time at which the authorization conferred by this resolution is revoked or varied by a special resolution of shareholders of the Company at a general meeting, or by a special resolution of its H shareholders and A shareholders at an H Share Class Meeting and an A Share Class Meeting, respectively.

** For identification purpose only*

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 special resolutions to be proposed at the 2023 AGM, the 2024 Second H Share Class Meeting and the 2024 Second A Share Class Meeting in relation to the granting of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,546,273,813 A Shares and 387,076,150 H Shares. Subject to the passing of the special resolutions set out in the 2023 AGM, the 2024 Second H Share Class Meeting and the 2024 Second A Share Class Meeting in respect of the granting of the Repurchase Mandate and on the basis that the issued share capital of the Company remains unchanged on the date of the 2023 AGM, i.e. being 2,546,273,813 A Shares and 387,076,150 H Shares, the Directors would be authorized under the Repurchase Mandate to repurchase, during the Relevant Period (as defined below), a total of 254,627,381 A Shares and 38,707,615 H Shares, representing 10% of the total number of A Shares and H Shares in issue of the Company as at the date of the 2023 AGM, respectively. The exercise of the Repurchase Mandate is further subject to:

- (i) the obtainment of an approval from all relevant regulatory authorities having jurisdiction over the Company (if applicable) as required by the laws, regulations and rules of the PRC; and
- (ii) the Company not being required by any of its creditors to repay or to provide guarantees in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, at its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedures under the “Company Law of the People’s Republic of China” and the Articles of Association of the Company. If the Company determines to repay any amount to any of its creditors, the Company will do so out of its internal funds.

The “**Relevant Period**” means the period from the passing of the resolution at the 2023 AGM and the passing of those resolutions having the same terms with this resolution at its 2024 Second A Share Class Meeting and 2024 Second H Share Class Meeting, respectively, until whichever is the earliest of:

- (i) upon conclusion of the 2024 annual general meeting of the Company;

- (ii) the expiration of a period of twelve months following the passing of this resolution at the 2023 AGM and the passing of those resolutions having the same terms with this resolution at its 2024 Second A Share Class Meeting and 2024 Second H Share Class Meeting, respectively; or
- (iii) the time at which the authorization conferred by this resolution is revoked or varied by a special resolution of the Shareholders at a general meeting, or by a special resolution of its H shareholders and A shareholders at an H Share Class Meeting and an A Share Class Meeting, respectively.

2. REASONS FOR SHARE REPURCHASE

The Directors believe that a general authority from the Shareholders to enable the Company to repurchase its Shares is to maintain stability of the Company's operations, development and share price, to safeguard and protect the long-term interests of the Shareholders, to promote the maximization of Shareholders' value, to further improve and refine the long-term incentive and talent retention mechanism, and to ensure the sustainable operations and healthy development of the Company.

3. FUNDING OF SHARE REPURCHASE

In repurchasing its A Shares and/or H Shares, the Company intends to apply funds from its internal resources (which may include surplus funds and retained profits) legally available for such purpose in accordance with its Articles of Association, the laws of the PRC 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 only be made either out of the funds of the Company that would otherwise be available for dividend or distribution or out of the proceeds of the issuance of new Shares made for such purpose. 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, 2023) in the event that the Repurchase Mandate is to be carried out in full at any time during the proposed repurchase period. However, the Directors do

not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels 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 traded on the Hong Kong Stock Exchange and the SSE during each of the previous twelve months prior to the Latest Practicable Date are as follows:

Month	H Share Prices		A Share Prices	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>	Highest <i>RMB</i>	Lowest <i>RMB</i>
2023				
May	72.50	64.00	70.45	64.12
June	73.75	59.50	72.45	61.24
July	75.50	61.50	73.80	61.89
August	87.90	75.05	83.45	71.67
September	95.15	79.00	89.09	75.54
October	103.60	90.25	93.56	82.61
November	101.50	89.55	92.60	82.22
December	93.15	75.35	83.30	71.05
2024				
January	80.95	52.55	75.38	53.90
February	58.00	36.45	57.43	45.20
March	57.95	35.75	60.52	45.88
April	38.50	32.60	47.89	41.17
May (up to the Latest Practicable Date)	39.10	34.35	46.39	44.34

6. GENERAL

The Company may cancel the repurchased H Shares following settlement of any such repurchase and/or hold the repurchased H Shares as treasury shares on or after the Effective Date subject to market conditions and its capital management needs at the relevant time of the repurchases.

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 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 Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Hong Kong Stock Exchange to exercise the power of the Company to repurchase A Shares and/or H Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the PRC.

The Company confirms that the explanatory statement set out in this Appendix contains the information required under Rule 10.06(1)(b) of the Listing Rules to be effective on the Effective Date and that neither the explanatory statement nor the granting of the Repurchase Mandate has unusual features.

7. TAKEOVERS CODE

If as a result of a repurchase of A Shares and/or H Shares pursuant to the 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 of the Company, having taking into account the voting rights held or controlled by the Founding Individuals as at the Latest Practicable Date, the Directors consider that the increase in aggregate control over the voting rights of the Founding Individuals in the event that the Directors exercise the proposed Repurchase Mandate in full would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

Under the Administration of the Takeover of Listed Companies Procedures (《上市公司收購管理辦法》) in the PRC, where the repurchase of shares from specific shareholders by a listed company according to the determined price approved by the general meeting of shareholders results in reduction of share capital, thereby rendering the equity held by the investor in the

company exceeding 30% of the issued shares of that company, the investor is exempted from making a tender offer. In the event of any intention to increase the shareholding by means other than tender offer, a general tender offer shall be sent out. Therefore, where the Repurchase Mandate is exercised in full and the aggregate control over voting rights of the Founding Individuals would be increased to approximately 22.48%, the Founding Individuals will have no obligation to extend general tender offer to other shareholders.

Save as disclosed above, the Directors are not aware of any consequences which will arise under either or both of the Takeovers Code and any similar applicable law as a result of any repurchases to be made under the Repurchase Mandate.

Further, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code and/or result in the aggregate number of Shares held by the public shareholders falling below the prescribed minimum percentage required by the Hong Kong Stock Exchange.

8. SHARE REPURCHASE MADE BY THE COMPANY

Repurchase and cancellation of part of the Restricted A Shares granted under the 2019 A Share Incentive Plan

The “Proposal on the Repurchase and Cancellation of Part of the Restricted A Shares Granted under the Restricted A Shares and Stock Option Incentive Plan of 2019 of the Company” was approved at the second meeting of the third session of the Board. Pursuant to the above proposal, due to the resignation of 10 incentive participants of the 2019 A Share Incentive Plan or that 1 incentive participant had no performance appraisal results since the incentive participant did not participate in the annual comprehensive assessment due to insufficient working hours, the Company shall repurchase a total of 24,357 Restricted A Shares granted under the adjusted initial grant of the 2019 A Share Incentive Plan at the repurchase price of RMB17.45 per A Share. Please refer to the relevant announcements of the Company dated June 27, 2023 and October 20, 2023 for further details.

Direct repurchase of H Shares from the 2023 Scheme Trustee and cancellation of such H Shares

Completion of the repurchase of the 15,467,500 Acquired Award Shares at the aggregate purchase price of approximately HK\$1.288 billion under the “Proposal on the Direct Repurchase of H Shares in relation to the 2023 H Share Award and Trust Scheme from the Scheme Trustee and

the Cancellation of such H Shares” took place on January 15, 2024 pursuant to the SPA. The average price for the repurchase of H Shares was approximately HK\$83.256 per H Share. The Acquired Award Shares have been cancelled by the Company’s H Share Registrar on January 18, 2024 and the registered capital of the Company was decreased by RMB15,467,500 accordingly. Please refer to the relevant announcements of the Company dated April 24, 2023, October 30, 2023, December 12, 2023 and January 18, 2024, the circular of the Company dated December 13, 2023 and the poll results announcement dated January 5, 2024 for further details.

Repurchase of A Shares through Bidding

On February 5, 2024, the Company implemented the A Share Repurchase through bidding and repurchased 20,275,407 A Shares. The maximum price for the A Share Repurchase was RMB51.72 per A Share. The minimum price for the A Share Repurchase was RMB46.50 per A Share. The average price for the A Share Repurchase was RMB49.321 per A Share. The total amount of funds utilized was RMB1,000,000,738.60 (exclusive of transaction fees). 20,275,407 A Shares repurchased on February 5, 2024 were cancelled on March 20, 2024.

On March 8, 2024, the Company held the tenth meeting of the third session of the Board, where the Board approved the Resolution on Repurchase of A Shares of the Company through Bidding and agreed to implement the repurchase plan. As at the Latest Practicable Date, the Company has repurchased an aggregate of 16,103,778 A Shares representing 0.55% of the total issued share capital of the Company. Details of the repurchase are as follows:

Date of repurchase	Number of A Shares repurchased	Average repurchase price (RMB)	Highest repurchase price (RMB)	Lowest repurchase price (RMB)
March 11, 2024	937,079	53.35	54.95	51.54
March 12, 2024	350,600	57.33	57.93	56.89
March 13, 2024	355,514	56.53	57.64	55.97
March 14, 2024	373,500	53.81	58.66	51.89
March 15, 2024	387,900	51.81	53.19	51.17
March 18, 2024	392,613	51.19	53.04	48.96
March 19, 2024	392,420	51.21	51.07	50.91
March 20, 2024	398,700	50.41	51.08	50.02
March 21, 2024	400,700	50.16	50.70	49.92
March 22, 2024	416,840	48.22	49.40	47.92
March 25, 2024	405,400	49.45	49.93	48.83
March 26, 2024	422,000	47.50	48.61	46.99
March 27, 2024	424,700	47.21	48.10	46.29
March 28, 2024	427,000	46.95	47.54	46.16

Date of repurchase	Number of A Shares repurchased	Average repurchase price (RMB)	Highest repurchase price (RMB)	Lowest repurchase price (RMB)
March 29, 2024	434,260	46.16	46.90	45.89
April 1, 2024	425,000	47.17	47.81	46.45
April 2, 2024	426,774	46.97	47.65	46.54
April 3, 2024	423,291	47.36	47.86	46.84
April 8, 2024	434,846	46.11	46.59	45.78
April 9, 2024	435,400	46.04	47.05	44.95
April 10, 2024	435,275	46.06	47.00	45.53
April 11, 2024	452,158	44.34	45.25	43.71
April 12, 2024	463,500	43.26	44.35	42.91
April 15, 2024	473,700	42.32	42.79	41.70
April 16, 2024	480,460	41.73	42.47	41.23
April 17, 2024	477,400	41.99	43.50	41.34
April 18, 2024	458,600	43.72	44.33	42.40
April 19, 2024	474,200	42.28	42.90	41.88
April 22, 2024	475,100	42.19	42.66	41.65
April 23, 2024	475,700	42.14	43.17	41.49
April 24, 2024	475,800	42.13	42.47	41.76
April 25, 2024	478,983	41.85	42.39	41.60
April 26, 2024	470,500	42.61	43.11	41.32
April 29, 2024	452,120	44.35	45.01	42.95
April 30, 2024	457,300	43.84	44.70	43.57
May 6, 2024	438,445	45.72	45.94	45.45

Save as disclosed above, during the six months prior to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Hong Kong Stock Exchange, the SSE or otherwise).

The following is the full text of the 2024 Scheme Rules for the purpose of incorporation in this circular. In case of any discrepancies between the Chinese and English versions of the 2024 Scheme Rules, the English version shall prevail.

1. DEFINITIONS AND INTERPRETATION

1.1 In these Scheme Rules, unless the context otherwise requires, each of the following words and expressions shall have the meaning respectively shown opposite to it:

“Actual Selling Price”	the actual price at which the Award Shares are sold (net of brokerage, stamp duty, any taxes, Stock Exchange trading fee, Hong Kong SFC transaction levy and any other applicable costs) on vesting of an Award pursuant to the Scheme or in the case of a vesting when there is an event of change in control or privatisation of the Company pursuant to Rule 14.1 of the Scheme Rules, the consideration receivable under the related scheme or offer
“Adoption Date”	the date on which the Shareholders approved this Scheme
“Articles”	the articles of association of the Company as amended from time to time
“Award”	an award granted by the Board to a Selected Participant, which may vest in the form of Award Shares or the Actual Selling Price of the Award Shares in cash, as the Board may determine in accordance with the terms of the Scheme Rules
“Award Letter”	shall have the meaning as set out in Rule 7.3 of the Scheme Rules
“Award Period”	the period commencing on the Adoption Date, and ending on the Business Day immediately prior to the 10th anniversary of the Adoption Date

“Award Shares”	the H Shares granted to a Selected Participant in an Award
“Board”	the board of directors of the Company (please also refer to Rule 1.2(f) of the Scheme Rules), from time to time
“Business Day”	any day on which the Stock Exchange is open for the business of dealing in securities
“Code on Share Buy-backs”	the code on share buy-backs published by the Securities and Futures Commission of Hong Kong
“Company”	WuXi AppTec Co., Ltd.* (無錫藥明康德新藥開發股份有限公司)
“connected person(s)”	shall have the meaning as set out in the Listing Rules
“Connected Selected Participants”	Selected Participants who are connected persons of the Group, as determined by the Board or the Delegatee in accordance with Rule 7 and pursuant to the authorization of the Shareholders. Prior to the actual grant of Awards, subject to possible adjustments, as at the date of disclosure of the Scheme, the Connected Selected Participants are expected to include Dr. Ge Li, Dr. Minzhang Chen, Mr. Edward Hu, Dr. Steve Qing Yang, Mr. Zhaohui Zhang, Ms. Ming Shi, Dr. Hao Wu, Dr. Richard Connell, Mr. Joseph Beckman, Mr. Albert Bristow, Mr. Feng Zhang, Ms. Minfang Zhu, Ms. Wendy J. Hu and Ms. Jingna Kang
“Delegatee”	the Executive Committee
“Director(s)”	the director(s) of the Company, from time to time

“Eligible Employee”	any individual, being a Director, supervisor, senior management, mid-level manager, basic-level manager, backbone member of the scientists, other technicians, who is a full-time PRC or non-PRC employee of any members of the Group; however, no individual who is resident in a place where the grant, acceptance or vesting of an Award pursuant to the Scheme is not permitted under the laws and regulations of such place or where, in the view of the Board or the Delegatee, compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual, shall be entitled to participate in the Scheme and such individual shall therefore be excluded from the scope of Eligible Employees
“employee”	an employee who has entered into a formal employment contract with the relevant member of the Group
“Executive Committee”	the executive committee of the Company to which the Board has delegated its authority to administer the Scheme
“Grant Date”	the date on which the grant of an Award is made to a Selected Participant
“Group”	the Company and its Subsidiaries from time to time, and the expression member of the Group shall be construed accordingly
“H Shares”	overseas listed foreign shares with a nominal value of RMB1.00 each in the share capital of the Company, which are listed on the Stock Exchange
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Hong Kong SFC”	the Securities and Futures Commission of Hong Kong
“Listing”	the listing of the H Shares on the Main Board of the Stock Exchange on December 13, 2018
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“on-market”	the acquisition of H Shares of the Company through one or more transactions through the facilities of the Stock Exchange in accordance with the Listing Rules and any other applicable laws and regulations
“PRC”	the People’s Republic of China
“Remuneration and Appraisal Committee”	the remuneration and appraisal committee of the Board
“Returned Shares”	such Award Shares that are not vested and/or are forfeited in accordance with the terms of the Scheme, or such H Shares being deemed to be Returned Shares under the Scheme Rules
“Scheme”	the H Share Award and Trust Scheme adopted by the Company in accordance with these Scheme Rules on the Adoption Date
“Scheme Limit”	shall have the meaning set out in Rule 15.1 of the Scheme Rules
“Scheme Rules”	the rules set out herein relating to the Scheme as amended from time to time
“Selected Participant”	any Eligible Employee who, in accordance with Rule 6 of the Scheme Rules, is approved for participation in the Scheme and has been granted any Award
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)

“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary” or “Subsidiaries”	any subsidiary (as the term is defined in the Listing Rules) of the Company
“Taxes”	shall have the meaning as set out in Rule 9.11 of the Scheme Rules
“Trust”	the trust constituted by the Trust Deed to service the Scheme
“Trust Deed”	the trust deed to be entered into between the Company and the Scheme Trustee (as may be restated, supplemented and amended from time to time)
“Scheme Trustee”	the trustee appointed by the Company for the purpose of the Trust, and initially, Computershare Hong Kong Trustees Limited, a company incorporated in Hong Kong and having its registered office at 46th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong
“Vesting Date”	the date or dates, as determined from time to time by the Board or the Delegatee on which the Award (or part thereof) is to vest in the relevant Selected Participant as set out in the relevant Award Letter pursuant to Rule 7.1 of the Scheme Rules, unless a different Vesting Date is deemed to occur in accordance with Rules 10.6 or 14.1 of the Scheme Rules
“Vesting Notice”	shall have the meaning as set out in Rule 9.7 of the Scheme Rules
“Vesting Period”	shall have the meaning as set out in Rule 9.2 of the Scheme Rules

* *For identification purpose only*

1.2 In these Scheme Rules, except where the context otherwise requires:

- (a) references to Rules are to rules of the Scheme Rules;
- (b) references to times of the day are to Hong Kong time;
- (c) if a period of time is specified as from a given day, or from the day of an act or event, it shall be calculated exclusive of that day;
- (d) a reference to “dollars” or to “\$” shall be construed as a reference to the lawful currency for the time being of Hong Kong;
- (e) a reference, express or implied, to statutes, statutory provisions or the Listing Rules shall be construed as references to those statutes, provisions or rules as respectively amended or re-enacted or as their application is modified from time to time by other provisions (whether before or after the date hereof) and shall include any statutes, provisions or rules of which are re-enacted (whether with or without modification) and shall include any orders, regulations, instruments, subsidiary legislation, other subordinate legislation or practice notes under the relevant statute, provision or rule;
- (f) unless otherwise indicated, the Board can make determinations in its sole and absolute discretion and if the Board delegates its authority to administer the Scheme to the Delegatee, such Delegatee shall enjoy the same sole and absolute discretion;
- (g) a reference to “include”, “includes” and “including” shall be deemed to be followed by the words “without limitation”;
- (h) words importing the singular include the plural and vice versa, and words importing a gender include every gender;
- (i) headings are included in the Scheme Rules for convenience only and do not affect its interpretation; and
- (j) references to any statutory body shall include the successor thereof and any body established to replace or assume the functions of the same.

2. GENERAL INTRODUCTION AND PURPOSE OF THE SCHEME

- 2.1 The Scheme is a share award of H Shares and trust scheme established by the Company to award Eligible Employees, who could be Directors, supervisors, senior management, mid-level managers, basic-level managers, backbone members of the scientists, or other technicians.
- 2.2 A Trust Deed will be entered into between the Company and the Scheme Trustee, being Computershare Hong Kong Trustees Limited initially. Pursuant to the Trust Deed, the Trust will be constituted to service the Scheme whereby the Scheme Trustee shall assist with the administration of the Scheme and shall, subject to the relevant provisions of the Trust Deed and upon the instruction of the Company, acquire such underlying H Shares of the Scheme through on-market transactions with funds in the amount of not more than HK\$2 billion to be transferred by the Company to the Trust in accordance with Rule 8 and subject to the Scheme Limit as set out in Rule 15.1. Award Shares underlying the Awards granted to the Selected Participants which are acquired by the Scheme Trustee shall be held by the Scheme Trustee on trust for the benefit of the Selected Participants, and the Scheme Trustee shall, for the purposes of vesting of the Award and upon the instruction of the Board or the Delegatee, release from the Trust the Award Shares to the Selected Participants or sell the number of Award Shares so vested on-market at the prevailing market price and pay the Selected Participants the proceeds in cash arising from such sale in accordance with Rule 9 and relevant provisions under the Trust Deed.
- 2.3 The purposes of the Scheme are:
- (a) to attract, motivate and retain highly skilled and experienced personnel to strive for the future development and expansion of the Group by providing them with the opportunity to be further incentivized by equity interests in the Company, more directly associated with the equity performance of the Company;
 - (b) to modernize the Company's remuneration practices and to better align with the interests of the Shareholders while seeking a balanced approach in the operational and executive management oversight; and
 - (c) to (i) recognize the contributions to the Company of the prudent management of the Company including the Directors; (ii) encourage, motivate and retain the leadership of the Company whose collective contributions are beneficial to the continual operation, development and long-term growth of the Group; and (iii)

introduce additional incentive for the management of the Company by aligning the interests of the management of the Company to that of the Shareholders and the Group as a whole.

3. CONDITIONS

3.1 The Scheme is conditional upon the passing of a resolution by the Shareholders to approve the adoption of the Scheme and to authorise the Board to grant Awards under the Scheme and to procure the transfer of and otherwise deal with the Award Shares in connection with the Scheme.

4. DURATION

4.1. Subject to Rules 9.5 and 20, the Scheme shall be valid and effective for the Award Period (after which no further Awards will be granted), and thereafter for so long as there are any non-vested Award Shares granted hereunder prior to the expiration of the Scheme, in order to give effect to the vesting of such Award Shares or otherwise as may be required in accordance with the provisions of the Scheme Rules.

5. ADMINISTRATION

5.1 The Scheme shall be subject to the administration of the following administrative bodies:

- (a) the general meeting of the Shareholders, as the institution vested with the supreme authority of the Company, is responsible for the consideration and approval of the adoption of the Scheme. The general meeting of the Shareholders may authorize the Board and/or the Delegatee to deal with all matters related to the Scheme to the extent of its authority;
- (b) the Board is the institution in charge of the administration of the Scheme in accordance with the Scheme Rules and where applicable, the Trust Deed. A decision of the Board or the Delegatee shall be final and binding on all persons affected. The Remuneration and Appraisal Committee shall be responsible for reviewing and/or approving matters relating to the Scheme and submitting the same to the Board for consideration. Upon consideration and approval of the Scheme, the Board will submit the Scheme to the general meeting of the Shareholders for consideration. The Board and/or the Delegatee may handle all matters related to the Scheme within the authorization by the general meeting of the Shareholders; and

- (c) the Trust will be constituted to service the Scheme whereby the Scheme Trustee shall, subject to the relevant provisions of the Trust Deed as well as the Scheme Limit as set out in Rule 15.1, and upon the instruction of the Company, acquire H Shares through on-market transactions with funds in the amount of not more than HK\$2 billion to be transferred by the Company to the Trust, in accordance with the instructions of the Company for the purpose of satisfying the awards granted thereunder.
- 5.2 The authority to administer the Scheme may be delegated by the Board to the Delegatee as deemed appropriate in the sole and absolute discretion of the Board, provided that nothing in this Rule 5.2 shall prejudice the Board's power to revoke such delegation at any time or derogate from the discretion rested with the Board as contemplated in Rule 5.1(b).
- 5.3 Subject to any restrictions in the Scheme Rules, it is noted that as at the Adoption Date the Board has delegated to the Executive Committee the authority to administer the Scheme, including the power to grant an Award under the Scheme.
- 5.4 Without prejudice to the Board's general power of administration, the Board or the Delegatee may from time to time appoint one or more administrators, who may be independent third-party contractors, to assist in the administration of the Scheme, to whom they, in their sole and absolute discretion, may delegate such functions relating to the administration of the Scheme as they may think fit. The duration of office, terms of reference and remuneration (if any) of such administrator(s) shall be determined by the Board or the Delegatee in its sole and absolute discretion from time to time.
- 5.5 Without prejudice to the Board's general power of administration, to the extent not prohibited by applicable laws and regulations, the Board or the Delegatee may also from time to time appoint one or more Trustees in respect of granting, administration or vesting of any Award Shares.
- 5.6 Subject to the Scheme Rules, the Listing Rules and any applicable laws and regulations, the Board or the Delegatee shall have the power from time to time to:
- (a) construe and interpret the Scheme Rules and the terms of the Awards granted under the Scheme;
 - (b) pursuant to Rule 15.1, determine the maximum number of H Shares to be acquired by the Scheme Trustee;

- (c) make or vary such arrangements, guidelines, procedures and/or regulations for the administration, interpretation, implementation and operation of the Scheme, provided that they are not inconsistent with the Scheme Rules;
- (d) decide how the vesting of the Awards Shares will be settled pursuant to Rule 9;
- (e) determine the basis of eligibility of any Eligible Employee for the grant of Awards from time to time on the basis of their contribution to the development and growth of the Group or such other factors deemed appropriate;
- (f) grant Awards to those Eligible Employees whom it shall select from time to time;
- (g) determine the terms and conditions of the Awards;
- (h) establish, assess and administer performance targets in respect of the Scheme;
- (i) approve the form and content of an Award Letter;
- (j) adjust the number of outstanding Award Shares or accelerate the Vesting Dates of any Awards pursuant to Rules 10.6 or 14;
- (k) exercise any authority as may be granted by the Shareholders from time to time;
- (l) engage bank(s), accountant(s), lawyer(s), consultant(s) and other professional parties for the purpose of the Scheme; and
- (m) sign, execute, amend and terminate all documents relating to the Scheme, undertake all procedures relevant to the Scheme and take such other steps or actions to give effect to the terms and intent of the Scheme Rules.

5.7 None of the Directors or any Delegatee shall be personally liable by reason of any contract or other instrument executed by him/her, or on his/her behalf or for any mistake of judgment made in good faith, for the purposes of the Scheme, and the Company shall indemnify and hold harmless each member of the Board and any Delegatee in relation to the administration or interpretation of the Scheme, against any cost or expense (including legal fees) or liability (including any sum paid in settlement of a claim with the approval of the Board) arising out of any act or omission to act in connection with the Scheme unless arising out of such person's own wilful default, fraud or bad faith.

5.8 In respect of the administration of the Scheme, the Company shall comply with all applicable disclosure regulations including those imposed by the Listing Rules and all applicable PRC laws, regulations and rules.

6. SELECTION OF SELECTED PARTICIPANT

6.1 The Board or the Delegatee may, from time to time, select any Eligible Employee to be a Selected Participant and, subject to Rule 6.3, grant an Award to such Selected Participant during the Award Period conditional upon fulfilment of the terms and conditions of the Awards and performance targets as the Board or the Delegatee determines from time to time.

6.2 The Selected Participants are determined in accordance with the Company Law of the PRC, the Securities Law of the PRC and other applicable laws, regulations and regulatory documents and the relevant provisions of the Articles, together with the Company's actual circumstances and matters including the present and expected contribution of the relevant Selected Participant to the Group.

No one should be considered as a Selected Participant of the Scheme if he:

- (a) has been deemed as an inappropriate candidate for similar award schemes of share incentive plans of a listed company by any securities regulatory bodies with authority in the most recent 12 months;
- (b) has been imposed with penalties or is banned from trading securities by securities regulatory bodies due to material non-compliance with laws or regulations in the most recent 12 months; or
- (c) is prohibited from acting as a director or member of the senior management of a company due to occurrence of circumstances as stipulated in the Company Law of the PRC.

- 6.3 Notwithstanding the provision in Rule 6.1 and Rule 6.2, no grant of any Award Shares to any Selected Participant may be made and no directions or recommendations shall be given to the Scheme Trustee with respect to a grant of an Award under the circumstances below, and any such grant so made or any such direction or recommendation so given shall be null and void to the extent (and only to the extent) that it falls within the circumstances below:
- (a) in any circumstances where the requisite approval from any applicable regulatory authorities has not been granted;
 - (b) in any circumstances that any member of the Group will be required under applicable securities laws, rules or regulations to issue a prospectus or other offer documents in respect of such Award or the Scheme, unless the Board determines otherwise;
 - (c) where such Award would result in a breach by any member of the Group or its directors of any applicable securities laws, rules or regulations in any jurisdiction;
 - (d) where such grant of Award would result in a breach of the Scheme Limit;
 - (e) after the expiry of the Award Period or after the earlier termination of this Scheme in accordance with Rule 20;
 - (f) where any Director is in possession of unpublished inside information (as defined under the SFO) in relation to the Company or where any Director reasonably believes there is inside information which must be disclosed pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the SFO or where dealings by Directors are prohibited under any code or requirement of the Listing Rules or any applicable laws, rules or regulations;
 - (g) during the period of 60 days immediately preceding the publication date of the annual results of the Group or, if shorter, the period from the end of the relevant financial year up to the publication date of such results; and
 - (h) during the period of 30 days immediately preceding the publication date of the quarterly or half-year results of the Group or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of such results.

7. AWARD LETTER AND NOTIFICATION OF GRANT OF AWARDS

- 7.1 Subsequent to the obtaining of the Shareholders' approval in connection with the proposed adoption of the Scheme, the Company will transfer the necessary funds (being the Scheme Limit) for the Scheme Trustee to acquire H Shares through on-market transactions from time to time at prevailing market price as the source of the Award Shares under the Scheme. The grant of Awards to the Selected Participants shall be subject to the fulfilment of the conditions as determined by the Board and/or the Delegatee to be set out in the Award Letter. In this regard, if the Scheme is approved by the Shareholders, the Executive Committee of the Company, to whom the Board will delegate its authority to administer the Scheme, will set the conditions for the grant of Awards to the Selected Participants to take effect as (i) the revenue realized by the Group for the year 2024 being RMB38.3 billion or above (the "**Basic Condition of Grant**"), and (ii) the revenue realized by the Group for the year 2024 being RMB40.5 billion or above (the "**Additional Condition of Grant**", and together with the "Basic Condition of Grant", the "**Conditions of Grant**"). If only the Basic Condition of Grant can be satisfied, no more than half of the Scheme Limit can be utilized for the grant of Awards to the Selected Participants. If both the Basic Condition of Grant and the Additional Condition of Grant can be satisfied, the entire Scheme Limit can be utilized for the grant of Awards to the Selected Participants. If the Condition(s) of Grant cannot be satisfied, the relevant grant of Awards to such selected Participants which corresponds to the unsatisfied Condition(s) of Grant will not take effect.
- 7.2 Subject to the fulfillment of the Basic Condition of Grant only, the amount of Awards to be granted to Connected Selected Participants shall not exceed 16% of half of the Scheme Limit. Subject to the fulfillment of both the Basic Condition of Grant and the Additional Condition of Grant, the amount of Awards to be granted to Connected Selected Participants shall not exceed 16% of the entire Scheme Limit. The particulars of the grant of Awards to the Connected Selected Participants, including the list of Connected Selected Participants and the specific number of Award Shares underlying such Awards to be granted to the Connected Selected Participants, shall be determined by the Board and/or the Delegatee pursuant to the relevant authorization to be granted by the Shareholders at general meeting, and taking into account the following factors in principal, which include but are not limited to, (i) the total number of H Shares acquired by the Scheme Trustee as the source of the Award Shares under the Scheme; (ii) the ranking of the Connected Selected Participants; and (iii) the individual performance appraisal results of the Connected Selected Participants.

- 7.3 The Company shall issue a letter to each Selected Participant in such form as the Board or the Delegatee may from time to time determine, specifying the Grant Date, the manner of acceptance of the Award, the number of Award Shares underlying the Award, the vesting criteria and conditions, and the Vesting Date and such other details, terms and conditions as they may consider necessary and in accordance with this Scheme (an “**Award Letter**”).
- 7.4 As soon as practicable after the grant of any Award to a Selected Participant, the Company shall provide a fully executed copy of the Award Letter to the Scheme Trustee.

8. ACQUISITION OF H SHARES BY THE SCHEME TRUSTEE

- 8.1 Subject to Rule 8.4 and Rule 15.1, the Company shall as soon as reasonably practicable, for the purposes of satisfying the grant of Awards, transfer to the Trust the necessary funds and instruct the Scheme Trustee to acquire H Shares through on-market transactions at the prevailing market price. Subject to Rule 14, the Company shall instruct the Scheme Trustee whether or not to apply any Returned Shares to satisfy any grant of Awards made, and if the Returned Shares, as specified by the Company, are not sufficient to satisfy the Awards granted, the Company shall, subject to Rule 8.3 as soon as reasonably practicable, for purposes of satisfying the Awards granted, transfer to the Trust the necessary funds and instruct the Scheme Trustee to acquire further H Shares through on-market transactions at the prevailing market price.
- 8.2 Where the Scheme Trustee has received instructions from the Company to acquire H Shares through on-market transactions, the Scheme Trustee shall acquire such number of H Shares as instructed by the Company on-market at the prevailing market price as soon as reasonably practicable after receiving the necessary funds from the Company.
- 8.3 The Scheme Trustee shall only be obliged to transfer Award Shares to Selected Participants on vesting to the extent that Award Shares are comprised in the Trust.
- 8.4 The Company shall not instruct the Scheme Trustee to acquire H Shares through on-market transactions at the prevailing market price, where (i) such action (as applicable) is prohibited under the Listing Rules, other applicable PRC laws, regulations and rules, the SFO or any other applicable laws from time to time; or (ii) during such periods as stated in Rules 6.3(g) and (h). Where such a prohibition causes the prescribed timing imposed by the Scheme Rules or the Trust Deed to be missed, such prescribed timing shall be treated as extended until as soon as reasonably practicable after the first Business Day on which the prohibition no longer prevents the relevant action.

9. VESTING OF AWARD

9.1 The Board or the Delegatee may from time to time while the Scheme is in force and subject to all applicable laws, rules and regulations, determine such vesting criteria and conditions or periods for the Award to be vested hereunder.

9.2 Unless otherwise specified in the Award Letter approved by the Board or the Delegatee, the vesting periods (each a “**Vesting Period**”) of the Awards granted under the Scheme are as follows.

- (a) For Awards to be granted to Selected Participants who are Eligible Employees as at the Adoption Date:

	Vesting Periods	Proportion of Vesting
First Vesting Period	Within the month of December 2025	25%
Second Vesting Period	Within the month of December 2026	25%
Third Vesting Period	Within the month of December 2027	25%
Fourth Vesting Period	Within the month of December 2028	25%

- (b) For Awards to be granted to Selected Participants who (i) shall become Eligible Employees subsequent to the Adoption Date; and (ii) shall have been given the entitlement to be granted Awards pursuant to the relevant offer letters to be issued by the Company in connection with their employment within the Group:

	Vesting Periods	Proportion of Vesting
First Vesting Period	Within the year immediately following the first anniversary of the commencement date of the employment of the Selected Participant with the relevant member of the Group	0%

	Vesting Periods	Proportion of Vesting
Second Vesting Period	Within the year immediately following the second anniversary of the commencement date of the employment of the Selected Participant with the relevant member of the Group	25%
Third Vesting Period	Within the year immediately following the third anniversary of the commencement date of the employment of the Selected Participant with the relevant member of the Group	25%
Fourth Vesting Period	Within the year immediately following the fourth anniversary of the commencement date of the employment of the Selected Participant with the relevant member of the Group	50%

- 9.3 Vesting of the Award granted under the Scheme is subject to conditions of the individual performance indicators of the Selected Participants as set out in this Rule 9.3, and any other applicable vesting conditions as set out in the Award Letter.

The individual performance indicators of the Selected Participants are as follows:

According to the applicable performance management rules adopted by the Company, the Board or the Delegatee shall carry out annual comprehensive appraisal on the Selected Participants and determine the actual vesting amount of the Awards granted under the Scheme accordingly. The actual vesting amount of the Award granted to a Selected Participant for the respective Vesting Periods shall be equal to the standard coefficient x the planned vesting amount for the respective Vesting Periods. The coefficient for individual performance appraisal results of grade B- (or its equivalent appraisal result such as “**satisfactory**”) or above is 100% whereas the coefficient for individual performance appraisal results below grade B- is 0.

If the Selected Participant fails to fulfil the individual performance indicators above, all the Award Shares underlying the relevant Awards which may otherwise be vested during the respective Vesting Periods shall not be vested and shall be held by the Scheme Trustee as Returned Shares for application towards future Awards in accordance with the Scheme rules for the purpose of the Scheme.

- 9.4 If the Vesting Date is not a Business Day, the Vesting Date shall, subject to any trading halt or suspension in the H Shares, be the Business Day immediately thereafter.
- 9.5 For the avoidance of doubt, the Vesting Periods of the Awards granted under any subsequent grant of the scheme or the Awards to be satisfied by the application of any Returned Shares shall be determined by the Board or the Delegatee in its sole and absolute discretion, and shall in any event not extend beyond the then remaining term of the Award Period at the time of grant.
- 9.6 For the purposes of vesting of the Award, the Board or the Delegatee may either:
- (a) direct and procure the Scheme Trustee to release from the Trust the Award Shares to the Selected Participants by transferring the number of Award Shares to the Selected Participants in such manner as determined by them from time to time; or
 - (b) to the extent that, at the determination of the Board or the Delegatee, it is not practicable for the Selected Participant to receive the Award in H Shares solely due to legal or regulatory restrictions with respect to the Selected Participant's ability to receive the Award in H Shares or the Scheme Trustee's ability to give effect to any such transfer to the Selected Participant, the Board or the Delegatee will direct and procure the Scheme Trustee to sell, on-market at the prevailing market price, the number of Award Shares so vested in respect of the Selected Participant and pay the Selected Participant the proceeds in cash arising from such sale based on the Actual Selling Price of such Award Shares as set out in the Vesting Notice.
- 9.7 Except in the circumstances as set out in Rule 9.11, barring any unforeseen circumstances, within a reasonable time period as agreed between the Scheme Trustee and the Board from time to time prior to any Vesting Date, the Board or the Delegatee shall send to the relevant Selected Participant a vesting notice (the "**Vesting Notice**"). The Board or the Delegatee shall forward a copy of the Vesting Notice to the Scheme Trustee and instruct the Scheme Trustee the extent to which the Award Shares held in the Trust shall be transferred and released from the Trust to the Selected Participant in the manner as determined by the Board or the Delegatee, or be sold as soon as practicable from the Vesting Date.

- 9.8 Except in the circumstances as set out in Rule 9.11, subject to the receipt of the Vesting Notice and the instructions from the Board or the Delegatee, the Scheme Trustee shall transfer and release the relevant Award Shares to the relevant Selected Participant in the manner as determined by the Board or the Delegatee or sell the relevant Award Shares within any time stipulated in Rule 9.7 above and pay the Actual Selling Price to the Selected Participant within a reasonable time period in satisfaction of the Award.
- 9.9 Any stamp duty or other direct costs and expenses arising on vesting and transfer of the Award Shares to or for the benefit of the Selected Participants shall be borne by the Company. Any duty or other direct costs and expenses arising on the sale of the Award Shares due to the vesting shall be borne by the Selected Participant.
- 9.10 All costs and expenses in relation to all dealings with the Award Shares after vesting and transfer of the Award Shares to the Selected Participant (as the case may be) shall be borne by the Selected Participant and neither the Company nor the Scheme Trustee shall be liable for any such costs and expenses thereafter.
- 9.11 Other than the stamp duty to be borne by the Company in accordance with Rule 9.9, all other taxes (including personal income taxes, professional taxes, salary taxes and similar taxes, as applicable), duties, social security contributions, impositions, charges and other levies arising out of or in connection with the Selected Participant's participation in the Scheme or in relation to the Award Shares or cash amount of equivalent value of the Award Shares (the "Taxes") shall be borne by the Selected Participant and neither the Company nor the Scheme Trustee shall be liable for any Taxes. The Selected Participant will indemnify the Scheme Trustee and all members of the Group against any liability each of them may have to pay or account for such Taxes, including any withholding liability in connection with any Taxes. To give effect to this, the Scheme Trustee or any member of the Group may, notwithstanding anything else in these Scheme Rules (but subject to applicable law):
- (a) reduce or withhold the number of the Selected Participant's Award Shares underlying the Award (the number of Award Shares underlying the Award that may be reduced or withheld shall be limited to the number of Award Shares that have a fair market value on the date of withholding that, in the reasonable opinion of the Company is sufficient to cover any such liability);
 - (b) sell, on the Selected Participant's behalf, such number of H Shares to which the Selected Participant becomes entitled under the Scheme and retain the proceeds and/or pay them to the relevant authorities or government agency;

- (c) deduct or withhold, without notice to the Selected Participant, the amount of any such liability from any payment to the Selected Participant made under the Scheme or from any payments due from a member of the Group to the Selected Participant, including from the salary payable to the Selected Participant by any member of the Group; and/or
- (d) require the Selected Participant to remit to any member of the Group, in the form of cash or a certified or bank cashier's check, an amount sufficient to satisfy any Taxes or other amounts required by any governmental authority to be withheld and paid over to such authority by any member of the Group on account of the Selected Participant or to otherwise make alternative arrangements satisfactory to the Company for the payment of such amounts.

The Scheme Trustee shall not be obliged to transfer any Award Shares (or pay the Actual Selling Price of such Award Shares in cash) to a Selected Participant unless and until the Selected Participant satisfies the Scheme Trustee and the Company that such Selected Participant's obligations under this Rule have been met.

10. CHANGES OF CIRCUMSTANCES PERTAINING TO THE SELECTED PARTICIPANTS

10.1 If a Selected Participant changes his/her job position in the Group, the outstanding Award Shares not yet vested shall continue to vest in accordance with the Vesting Dates set out in the Award Letter, unless the Board or the Delegatee determines otherwise in its sole and absolute discretion. However, if a Selected Participant has a change in job position due to any of the following reasons:

- (a) he/she is not qualified for his/her job;
- (b) violates laws, violates professional ethics, reveals confidential information of the Company;
- (c) fails to discharge his/her duties or has committed wilful misconduct, materially violates the policies of the Group;
- (d) causing damages to the interest or reputation of the Group; or
- (e) the Group terminates his/her employment contract for any of the above reasons,

any outstanding Award Shares not yet vested shall be immediately forfeited, unless the Board or the Delegatee determines otherwise in its sole and absolute discretion.

- 10.2 If a Selected Participant ceases to be an Eligible Employee by reason of disqualification from participating in the Scheme due to any of the reasons set forth in Rule 6.2 under which no one should be considered as a Selected Participant, any outstanding Award Shares not yet vested shall be immediately forfeited, unless the Board or the Delegatee determines otherwise in its sole and absolute discretion.
- 10.3 If a Selected Participant ceases to be an Eligible Employee by reason of leaving the Group due to resignation or redundancy, expiration or termination of labor contract by the Group, any outstanding Award Shares not yet vested shall be immediately forfeited, unless the Board or the Delegatee determines otherwise in its sole and absolute discretion.
- 10.4 If a Selected Participant ceases to be an Eligible Employee by reason of termination of the Selected Participant's employment or contractual engagement with the Group or resignation due to incapacity resulting from work injury, any outstanding Award Shares not yet vested shall continue to vest in accordance with the Vesting Dates set out in the Award Letter, unless the Board or the Delegatee determines otherwise in its sole and absolute discretion.
- 10.5 Subject to Rules 10.11 and 12.1(f), if a Selected Participant passes away due to work injury, on the date of the occurrence of such event, any outstanding Award Shares not yet vested shall vest immediately and the vesting conditions as stipulated in the relevant award letter shall be disregarded.
- 10.6 Subject to Rules 10.11 and 12.1(f), given the exceptional and invaluable contribution of employees with a human resources ranking at director (主任) level or above (the "**Relevant Employees**"), if a Relevant Employee passes away not due to work injury, on the date of the occurrence of such event, any outstanding Award Shares not yet vested shall vest immediately and the vesting conditions as stipulated in the relevant award letter shall be disregarded. If a Selected Participant who is not a Relevant Employee passes away not due to work injury, on the date of the occurrence of such event, any outstanding Award Shares not yet vested shall be immediately forfeited, unless the Board or the Delegatee determines otherwise in its sole and absolute discretion.
- 10.7 If a Selected Participant is declared bankrupt or becomes insolvent or makes any arrangements or composition with his or her creditors generally, any outstanding Award Shares not yet vested shall be immediately forfeited, unless the Board or the Delegatee determines otherwise in its sole and absolute discretion.

- 10.8 If a Selected Participant fails, during the course of his employment, to devote whole of his time and attention to the business of the Group or to use his best endeavours to develop the business and interests of the Group (as determined by the Board or the Delegatee in its sole and absolute discretion), any outstanding Award Shares not yet vested shall be immediately forfeited, unless the Board or the Delegatee determines otherwise in its sole and absolute discretion.
- 10.9 If a Selected Participant is in breach of his contract of employment of the Group or any other obligation to the Group (including without limitation the restrictive covenants as set out in Rule 13), any outstanding Award Shares not yet vested shall be immediately forfeited, unless the Board or the Delegatee determines otherwise in its sole and absolute discretion.
- 10.10 If a Selected Participant ceases to be an Eligible Employee for reasons other than those set out in Rules 10.1 to 10.9, any outstanding Award Shares not yet vested shall be immediately forfeited, unless the Board or the Delegatee determines otherwise in its sole absolute discretion.
- 10.11 In the event that an Award or any part thereof to a Selected Participant vests by reason of the death of such Selected Participant, the Scheme Trustee shall hold such number of Awards Shares as are equal to the vested Award Shares or the Actual Selling Price (the “**Benefits**”) on trust and to transfer the same to the legal personal representatives of the Selected Participant within two years of the death of the Selected Participant (or such longer period as the Scheme Trustee and the Company shall agree from time to time) or, if the Benefits would otherwise become bona vacantia, the Benefits shall be forfeited and cease to be transferable and such Benefits shall be held by the Scheme Trustee as Returned Shares or funds of the Trust for the purposes of the Scheme. Notwithstanding the foregoing, the Benefits held upon the trusts hereof shall until transfer is made in accordance herewith be retained and may be invested and otherwise dealt with by the Scheme Trustee in every way as if they had remained part of the Trust.

10.12 The Company shall, from time to time, inform the Scheme Trustee in writing, the date in which such Selected Participant ceased to be an Eligible Employee and any amendments to the terms and conditions of the Award in respect to such Selected Participant (including the number of Award Shares entitled).

10.13 If a Selected Participant's employment relationship with the Group is terminated by any reason, (i) all Award Shares so vested shall be sold, on-market at the prevailing market price, within three months of such termination of employment relationship with the Group; and (ii) after the expiry of the three month period as set out in Rule 10.13(i), the Company reserves the right to direct and procure the Scheme Trustee to sell, on-market and at the prevailing market price, all Award Shares so vested but not sold by the Selected Participant pursuant to Rules 9 and 10.13(i).

11. TRANSFERABILITY AND OTHER RIGHTS TO AWARD SHARES

11.1 Any Award granted hereunder but not yet vested shall be personal to the Selected Participant to whom it is made and shall not be assignable or transferable and no Selected Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to any Award, or enter into any agreement to do so.

11.2 Any actual or purported breach of Rule 11.1 shall entitle the Company to cancel any outstanding Award or part thereof granted to such Selected Participant without any compensation or replacement award as stated in Rule 19.1. For this purpose, a determination from the legal department of the Company or such other person(s) delegated this function by the Board, to the effect that the Selected Participant has or has not breached any of the foregoing shall be final and conclusive as to such Selected Participant.

12. INTEREST IN THE ASSETS OF THE TRUST

12.1 For the avoidance of doubt:

- (a) a Selected Participant shall have only a contingent interest in the Award subject to the vesting of such Award in accordance with Rules 9 and 14;

- (b) no instructions may be given by a Selected Participant to the Scheme Trustee in respect of the Award or any other property of the Trust and the Scheme Trustee shall not follow instructions given by a Selected Participant to the Scheme Trustee in respect of the Award or any other property of the Scheme Trust;
- (c) neither the Selected Participant nor the Scheme Trustee may exercise any voting rights attached to any H Shares held by the Scheme Trustee under the Trust (including any Award Shares that have not yet vested);
- (d) a Selected Participant shall have no right to any dividend underlying the non-vested Award Shares or any of the Returned Shares or any dividend, right to any cash or non-cash income, distribution, sale proceeds of non-cash and non-scrip distributions underlying the Returned Shares, all of which shall be retained by the Scheme Trustee for the benefit of the Scheme, including but not limited to the payment of costs in connection with the operations of the Scheme such as the fees of professional parties engaged by the Company for the purpose of this Scheme from time to time;
- (e) a Selected Participant shall have no rights in the balance of the fractional shares arising out of consolidation of H Shares (if any) and such H Shares shall be deemed as Returned Shares for the purposes of the Scheme;
- (f) in the case of the death of a Selected Participant, the Benefits shall be forfeited if no transfer of the Benefits to the legal personal representatives of the Selected Participant is made within the period prescribed in Rule 10.11 and the legal personal representatives of the Selected Participant shall have no claims against the Company or the Scheme Trustee; and
- (g) in the event a Selected Participant ceases to be an Eligible Employee on or prior to the relevant Vesting Date and the Award in respect of the relevant Vesting Date shall lapse or be forfeited pursuant to the Scheme, such Award shall not vest on the relevant Vesting Date and the Selected Participant shall have no claims against the Company or the Scheme Trustee, unless being vested immediately pursuant to Rule 10.6 or the Board or the Delegatee determines otherwise in its sole and absolute discretion.

13. RESTRICTIVE COVENANTS

- 13.1 By accepting any Award granted pursuant to the Scheme, a Selected Participant shall be deemed to have made the restrictive covenants set forth in this Rule 13 to and for the benefit of the Group.
- 13.2 The Selected Participant hereby undertakes to the Group that he will not at any time whilst an employee, director, shareholder or otherwise interested in the Group (save in so far as is reasonably necessary to fulfil his duties to the Group) or at any time thereafter, directly or indirectly use or disclose or communicate to any person any information concerning the affairs, business methods, processes, systems, inventions, plans or research and development of the Group or those of its customers, clients or suppliers and which may be reasonably regarded as being confidential to the Group or to such persons (other than information which he is required to be disclosed by law or which is for the relevant time being in the public domain other than by reason of wrongful disclosure of the same by him) and will use his best endeavours to prevent the publication or disclosure of any such information by any third party.
- 13.3 The Selected Participant undertakes to the Group that he will not, except with the prior written approval of the Company, be directly or indirectly concerned with or engaged or interested in any other business which is in any respect in competition with or similar to the business of the Group during his employment with the Group, save that this restriction shall not apply to any holding of H Shares or other securities in the Company.
- 13.4 The Selected Participant undertakes to the Group that:
- (a) for so long as he is employed by the Company or any other member within the Group he will devote his full time and attention to the business of the Group and will use his best endeavours to develop the business and interests of the Group and will not be concerned with any other (competitive or other) business; and
 - (b) upon his ceasing (for any reason) to be employed by the Group he will not for a period of two (2) years from the date he ceases to be so employed, whether on his own account or on behalf of any other person, firm or company:
 - i. solicit (in connection with any business of a type then carried on by the Group) interfere with or endeavour to entice away from any member within the Group any person, firm or company who at any time during the period of

one year immediately preceding such cessation, was to his knowledge a material customer, client, supplier, agent, distributor, or an employee or consultant (by whatever title called) of a member within the Group;

- ii. seek to interfere with the continuance of the supply of goods or services to any member within the Group or the terms of any such supply; or
- iii. carry on, engage in or be concerned or interested either as principal or agent or as a shareholder, partner or employee of any other person in any business or activity which involves the offer, sale or supply of products or services to customers in the PRC or any other territory in which the Group offers such sale or supply for the relevant time being, competes with the business in which any member within the Group is or was engaged in the twelve months prior to the date he ceases to be employed by the Group; or
- iv. use or allow the use by any third party of any name, logo or other intellectual property rights used by any member within the Group or any name or logo likely to be confused therewith otherwise than in the conduct of the business of the Group; and
- v. deal in the H Shares which would violate (i) any applicable laws, regulations and rules in any relevant jurisdictions including, without limitation, the SFO, other Hong Kong securities laws, and the U.S. Securities Act of 1933, as amended from time to time, and (ii) any internal policy of the Company in connection with dealing in the H Shares.

13.5 The Selected Participant undertakes to the Group that he shall not, during either the course of his employment by the Group or for a period of two (2) years from the date he ceases to be employed by the Group, make, publish, or otherwise transmit any disparaging or defamatory statements, whether written or oral, regarding the Group or its employees, products, operations, procedures, policies, business or services.

14. TAKEOVER, RIGHTS ISSUE, OPEN OFFER, SCRIP DIVIDEND SCHEME, ETC.

Change in control

14.1 If there is an event of change in control of the Company by way of a merger, a privatisation of the Company by way of a scheme or by way of an offer, change of actual control of the Company involving reorganization of major assets, the Company no longer exists after merger with another company, or division of the Company, the

Board or the Delegatee shall in its sole and absolute discretion determine whether the Vesting Dates of any Awards will be accelerated. If the Vesting Dates of any Awards are accelerated, the procedures as set out in Rule 9.7 shall apply except that the Vesting Notice will be sent to such Selected Participant affected by this Rule 14.1 based on the proposed Vesting Date as soon as practicable once the proposed Vesting Date is known. The Scheme Trustee shall transfer the Award Shares or pay the Actual Selling Price in cash, as the case may be, to the Selected Participant in accordance with the Vesting Notice.

For the purpose of Rule 14.1, “control” shall have the meaning as specified in the Codes on Takeovers and Mergers and Share Buy-backs issued by the Hong Kong SFC from time to time.

Open offer and rights issue

14.2 In the event the Company undertakes an open offer of new securities, the Scheme Trustee shall not subscribe for any new H Shares. In the event of a rights issue, the Scheme Trustee shall not take any step to exercise any nil-paid rights and shall sell such nil-paid rights in respect of any H Shares which are held by the Scheme Trustee (if there is an open market for such rights). The aggregate proceeds of such sale may be applied by the Scheme Trustee to purchase H Shares for the purposes of satisfying any further Awards to be from time to time made by the Company under the Scheme and to cover the reasonable costs and expenses of the Scheme Trustee in the performance of its duties under the Trust Deed.

Bonus warrants

14.3 In the event the Company issues bonus warrants in respect of any H Shares which are held by the Scheme Trustee, the Scheme Trustee shall not, unless otherwise instructed by the Company, subscribe for any new H Shares by exercising any of the subscription rights attached to the bonus warrants, and shall sell the bonus warrants created and granted to it, and the net proceeds of sale of such bonus warrants shall be held as funds of the Trust.

Scrip Dividend

14.4 In the event the Company undertakes a scrip dividend scheme, the Scheme Trustee shall elect to receive the scrip Shares and such H Shares will be held as Returned Shares.

Capitalization Issue, Consolidation, Sub-division, Bonus Issue and Other Distribution

- 14.5 In the event the Company undertakes a capitalization issue, sub-division, consolidation or reduction of the H Shares, corresponding changes will be made to the number of outstanding Award Shares that have been granted 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. All fractional shares (if any) arising out of such consolidation or sub-division in respect of the Award Shares of a Selected Participant shall be deemed as Returned Shares and shall not be transferred to the relevant Selected Participant on the relevant Vesting Date.
- 14.6 In the event of an issue of H Shares by the Company credited as fully paid to the holders of the H Shares by way of capitalisation of profits or reserves (including share premium account), the H Shares attributable to any Award Shares held by the Scheme Trustee shall be deemed to be an accretion to such Award Shares and shall be held by the Scheme Trustee as if they were Award Shares purchased by the Scheme Trustee hereunder and all the provisions hereof in relation to the original Award Shares shall apply to such additional Shares.
- 14.7 In the event of any non-cash distribution or other events not referred to above by reason of which the Board considers an adjustment to an outstanding Award to be fair and reasonable, an adjustment shall be made to the number of outstanding Award Shares of each Selected Participant as the Board shall consider 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. The Company shall provide such funds, or such directions on application of the Returned Shares or other funds in the Trust, as may be required to enable the Scheme Trustee to purchase H Shares on-market at the prevailing market price to satisfy the additional Award.
- 14.8 In the event of other non-cash and non-scrip distributions made by the Company not otherwise referred to in the Scheme Rules in respect of the H Shares held upon Trust, the Scheme Trustee shall sell such distribution and the net sale proceeds thereof shall be deemed as cash income of an H Share held upon the Trust.

Voluntary winding-up

- 14.9 If an effective resolution is passed during the Award Period for the voluntary winding-up of the Company (other than for the purposes of a reconstruction, amalgamation or scheme of arrangement), the Board or the Delegatee shall in its sole

and absolute discretion determine whether the Vesting Dates of any Awards will be accelerated and whether the Selected Participant will be entitled to receive out of the assets available in liquidation on an equal basis with the Shareholders such sum as they would have received in respect of the Awards.

Compromise or arrangement

14.10 If a compromise or arrangement between the Company and its Shareholders or creditors is proposed in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies and a notice is given by the Company to its Shareholders to convene a general meeting to consider and if thought fit approve such compromise or arrangement and such shareholders' approval is obtained, the Board or the Delegatee shall in its sole and absolute discretion determine whether the Vesting Dates of any Awards will be accelerated.

15. SCHEME LIMIT

15.1 The maximum size of the Scheme shall be the maximum number of H Shares that will be acquired by the Scheme Trustee through on-market transactions from time to time at the prevailing market price pursuant to Rule 8.1 with funds in the amount of not more than HK\$2 billion, provided that the maximum number of H Shares to be so acquired by the Scheme Trustee shall be determined by the Board and/or the Delegatee and which shall in any event not render the Company unable to maintain the public float as required under the Listing Rules as modified by the waiver granted by the Stock Exchange upon the Listing (the "**Scheme Limit**"). The Company shall not make any further grant of Award which will result in the aggregate number of H Shares underlying all grants made pursuant to the Scheme (excluding Award Shares that have been forfeited in accordance with the Scheme) to exceed the Scheme Limit without Shareholders' approval.

16. RETURNED SHARES

16.1 The Scheme Trustee shall hold Returned Shares to be applied towards future Awards in accordance with the provisions hereof for the purpose of the Scheme. When H Shares have been deemed to be Returned Shares under the Scheme Rules, the Scheme Trustee shall notify the Company accordingly.

17. INTERPRETATION

17.1 Any decision to be made under the Scheme, including matters of interpretation with respect to the Scheme Rules, shall be made by the Board or the Delegatee. The decision by the Board shall be final and binding.

18. ALTERATION OF THE SCHEME

18.1 Subject to the Scheme Limit, the Scheme may be altered in any respect by a resolution of the Board or the Delegatee provided that no such alteration shall operate to affect materially and adversely any subsisting rights of any Selected Participant unless otherwise provided for in these Scheme Rules, except:

- (a) with the consent in writing of Selected Participants amounting to more than half of the nominal value of all Award Shares held by the Scheme Trustee on that date; or
- (b) with the sanction of an ordinary resolution that is passed at a meeting of the Selected Participants amounting to more than half of the nominal value of all Award Shares held by the Scheme Trustee on that date.

18.2 For the avoidance of doubt, the change in the subsisting rights of a Selected Participant in Rule 18.1 refers solely to any change in the rights in respect of the Award Shares already granted to a Selected Participant and the determination of whether any proposed alteration is material and adverse by the Board or the Delegatee shall be conclusive.

18.3 For any such meeting of Selected Participants referred to in Rule 18.1, all the provisions of the Articles as to general meetings of the Company shall apply mutatis mutandis as though the H Shares then held by the Scheme Trustee on behalf of Selected Participants were a separate class of shares forming part of the share capital of the Company except that:

- (a) not less than 7 days' notice of such meeting shall be given;
- (b) a quorum at any such meeting shall be two Selected Participants present in person or by proxy;
- (c) every Selected Participant present in person or by proxy at any such meeting shall be entitled on a show of hands to one vote, and on a poll, to one vote for each Award Share awarded to him or her and held by the Scheme Trustee (but, for the avoidance of doubt, excluding for this purpose any Returned Shares);

- (d) any Selected Participant present in person or by proxy may demand a poll; and
- (e) if any such meeting is adjourned for want of a quorum, such adjournment shall be to such date and time, being not less than 7 nor more than 14 days thereafter, and to such place as may be appointed by the chairman of the meeting (as appointed by the Board). At any adjourned meeting those Selected Participants who are then present in person or by proxy shall form a quorum provided that Rule 18.3(b) shall be complied with in the event of any such adjournment. At least 7 days' notice of any adjourned meeting shall be given in the same manner as for an original meeting and such notice shall state that those Selected Participants who are then present in person or by proxy shall form a quorum provided that Rule 18.3(b) shall be complied with.

19. CANCELLATION OF AWARDS

19.1 The Board or the Delegatee may in its sole and absolute discretion cancel any Award that has not vested or been forfeited, provided that:

- (a) the Company or any member of the Group pay to the Selected Participant an amount equal to the fair value of the Award at the date of the cancellation as determined by the Board, after consultation with the auditors or an independent financial adviser appointed by the Board;
- (b) the Company or the relevant member of the Group provides to the Selected Participant a replacement award (or a grant or option under any other restricted share unit scheme, share option scheme or share-related incentive scheme) of equivalent value to the Awards to be cancelled; or
- (c) the Board makes any arrangement as the Selected Participant may agree in order to compensate him/her for the cancellation of the Awards.

20. TERMINATION

20.1 Subject to Rule 4, the Scheme shall terminate on the earlier of:

- (a) the end of the Award Period except in respect of any non-vested Award Shares granted hereunder prior to the expiration of the Scheme, for the purpose of giving effect to the vesting of such Award Shares or otherwise as may be required in accordance with the provisions of the Scheme; and

(b) such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of any Selected Participant hereunder; provided further that for the avoidance of doubt, the change in the subsisting rights of a Selected Participant in this Rule 20.1(b) refers solely to any change in the rights in respect of the Award Shares already granted to a Selected Participant.

20.2 Following the settlement, lapse, forfeiture or cancellation (as the case may be) of the last outstanding Award made under the Scheme and the termination of the Scheme and/or the Trust, the Scheme Trustee shall, upon written instructions of the Company, (i) sell all the H Shares remaining in the Trust by on-market transactions at the prevailing market price within a reasonable time period as agreed between the Scheme Trustee and the Company, or (ii) promptly sell all the H Shares remaining in the Trust to the Company pursuant to the instructions of the Company and the relevant provisions of the Scheme Rules, in accordance with applicable laws and regulations (including but not limited to the governing law of the Trust, the Listing Rules and the Code on Share Buy-backs), and remit all cash and net proceeds of such sale referred to in sub-paragraphs (i) and (ii) of this Rule 20.2 and other funds remaining in the Trust (including any interest accrued on the net proceeds of such sale prior to the remittance (if any) and after making appropriate deductions in respect of all disposal costs, expenses and other existing and future liabilities in accordance with the Trust Deed) to the Company, or (iii) the Scheme Trustee shall hold and make use of the acquired H Shares in accordance with the relevant instructions of the Company, which could potentially involve the use of the acquired H Shares for the purpose of serving as the underlying shares of the awards to be granted under the future H Share award and trust schemes of the Company (if any).

20.3 Subsequent to the termination of the Scheme, the Company reserves the right to direct and procure the Scheme Trustee to sell, on-market and at the prevailing market price, (i) all Award Shares which have vested prior to the termination of the Scheme and not been sold by the Selected Participants as at the date of the termination of the Scheme; and (ii) Award Shares granted hereunder but not vested as at the date of the termination of the Scheme but which have subsequently been vested to the Selected Participants pursuant to Rules 9 and 20.1(a) and not been sold by the Selected Participants within three months after such vesting.

21. MISCELLANEOUS

- 21.1 The Scheme shall not form part of any contract of employment between the Company or any Subsidiary and any Eligible Employee, and the rights and obligations of any Eligible Employee under the terms of his/her office or employment shall not be affected by his/her participation in the Scheme or any right which he/she may have to participate in it and the Scheme shall afford such Eligible Employee no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason.
- 21.2 The Company shall bear the costs of establishing and administering the Scheme, including, for the avoidance of doubt, costs arising from communication as referred to in Rule 21.3, expenses incurred in the purchase of H Shares by the Scheme Trustee and stamp duty and normal registration fee (i.e. not being fee chargeable by the share registrar of any express service of registration) in respect of the transfer of H Shares to Selected Participants on the relevant Vesting Date. For the avoidance of doubt, the Company shall not be liable for any Tax or expenses of such other nature payable on the part of any Eligible Employee in respect of any sale, purchase, vesting or transfer of H Shares (or cash amount of equivalent value being paid), other than for any withholding tax liability of the Company or any member of the Group under applicable laws.
- 21.3 Any notice or other communication between the Company and any Eligible Employee may be given by sending the same by prepaid post or by personal delivery to, in the case of the Company, its registered office in Hong Kong or the PRC or such other address as notified to the Eligible Employee from time to time and in the case of an Eligible Employee, his/her address as notified to the Company from time to time or by hand delivery. In addition, any notice (including the Vesting Notice) or other communication from the Company to any Eligible Employee or Selected Participant may be given by any electronic means through the Scheme Trustee, as the Board considers appropriate.
- 21.4 Any notice or other communication served by post shall be deemed to have been served 24 hours after the same was put in the post. Any notice or other communication served by electronic means shall be deemed to have been received on the day following that on which it was sent.

- 21.5 The Company shall not be responsible for any failure by any Eligible Employee to obtain any consent or approval required for such Eligible Employee to participate in the Scheme as a Selected Participant or for any Tax, expenses, fees or any other liability to which an Eligible Employee may become subject as a result of participation in the Scheme.
- 21.6 Each and every provision hereof shall be treated as a separate provision and shall be severally enforceable as such in the event of any provision or provisions being or becoming unenforceable in whole or in part. To the extent that any provision or provisions are unenforceable they shall be deemed to be deleted from these Scheme Rules, and any such deletion shall not affect the enforceability of the Scheme Rules as remain not so deleted.
- 21.7 The Scheme constitutes a share award scheme involving existing Shares of the Company as defined and regulated under Chapter 17 of the Listing Rules.
- 21.8 Save as specifically provided herein, the Scheme shall not confer on any person any legal or equitable rights (other than those constituting and attaching to the Award Shares themselves) against the Group directly or indirectly or give rise to any cause of action at law or in equity against the Group. No person shall, under any circumstances, hold the Board or the Delegatee and/or the Company liable for any costs, losses, expenses and/or damages whatsoever arising from or in connection with the Scheme or the administration thereof.
- 21.9 In the event that an Award lapses in accordance with the Scheme Rules, no Selected Participants shall be entitled to any compensation for any loss or any right or benefit or prospective right or benefit under the Scheme which he or she might otherwise have enjoyed.
- 21.10 The Scheme shall operate subject to the Articles and to any restrictions under any applicable laws, rules and regulations.
- 21.11 By participating in the Scheme, the Selected Participant consents to the holding, processing, storage and use of personal data or information concerning him or her by any member of the Group, the Scheme Trustee or other third party service provider, in Hong Kong or elsewhere, for the purpose of the administration, management or operation of the Scheme. Such consent permits, but is not limited to, the following:
- (a) the administration and maintenance of records of the Selected Participant;

- (b) the provision of data or information to members of the Group, the Scheme Trustee, registrars, brokers or third party administrators or managers of the Scheme, in Hong Kong or elsewhere;
- (c) the provision of data or information to future purchasers or merger partners of the Company, the Selected Participant's employing company, or the business in which the Selected Participant works;
- (d) the transfer of data or information about the Selected Participant to a country or territory outside the Selected Participant's home country which may not provide the same statutory protection for the information as his home country; and
- (e) in the case where an announcement is required to be made or a circular is required to be despatched pursuant to the Listing Rules or other applicable laws, rules and regulations for the purposes of granting an Award, the disclosure of the identity of such Selected Participant, the number of Award Shares and the terms of the Award granted and/or to be granted and all other information as required under the Listing Rules or other applicable laws, rules and regulations.

The Selected Participant is entitled, on payment of a reasonable fee, to a copy of the personal data held about him or her, and if such personal data is inaccurate, the Selected Participant has the right to have it corrected.

22. DISPUTE

22.1 The Board shall determine any question of interpretation and settle any dispute arising under or in connection with this Scheme. In such matters, the Board's decision shall be final.

23. GOVERNING LAW

23.1 The Scheme shall be governed by and construed in accordance with the laws of Hong Kong Special Administrative Region of the PRC.

NOTICE OF THE ANNUAL GENERAL MEETING OF 2023



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)

NOTICE OF THE ANNUAL GENERAL MEETING OF 2023

Notice is hereby given that the Annual General Meeting (the “**2023 AGM**”) of WuXi AppTec Co., Ltd.* (無錫藥明康德新藥開發股份有限公司) (the “**Company**”) will be held at Sheraton Shanghai Waigaoqiao Hotel, 28 Jilong Road, Pilot Free Trade Zone, Shanghai, China on Wednesday, June 12, 2024 at 2:00 p.m. for the following purposes of considering and, if deemed appropriate, approving the following resolutions. In this notice, unless the context otherwise requires, capitalized terms and used herein shall have the same meanings as defined in the Company’s circular dated May 10, 2024 (the “**Circular**”).

ORDINARY RESOLUTIONS

1. To consider and approve the work report of the Board of Directors for the year 2023.
2. To consider and approve the work report of the Supervisory Committee for the year 2023.
3. To consider and approve the financial report for the year 2023.
4. To consider and approve the proposed 2023 Profit Distribution Plan.
5. To consider and approve the proposed provision of external guarantees for subsidiaries of the Company.
6. To consider and approve the proposed re-appointment of Deloitte Touche Tohmatsu (a special general partnership) (德勤華永會計師事務所(特殊普通合伙)) and Deloitte Touche Tohmatsu (德勤·關黃陳方會計師行), respectively, as PRC financial report and internal control report auditors of the Company and as offshore financial report auditors of the Company for the year 2024 and to authorize the Board to fix their remuneration.
7. To consider and approve the proposed foreign exchange hedging limit.

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8. To consider and approve the proposed amendments to the Connected Transactions Management Policy.
9. To consider and approve the proposed amendments to the External Guarantees and Provision of Financial Assistance Policy.
10. To consider and approve the proposed amendments to the Management Measures on Raised Funds.
11. To consider and approve the proposed amendments to the Work Policies of the Independent Directors.
12. To consider and approve the proposed adoption of the 2024 H Share Award and Trust Scheme.
13. To consider and authorize the Board and/or the Delegatee to handle matters pertaining to the 2024 H Share Award and Trust Scheme with full authority, including but not limited to:
 - (i) to determine the terms and conditions of the grant of Awards, approve the form and content of the Award Letter, select Eligible Employees to become Selected Participants, and grant Awards to Selected Participants from time to time, and to determine the particulars of the grant of Awards to the Connected Selected Participants, including the list of Connected Selected Participants and the specific number of Award Shares underlying such Awards to be granted to the Connected Selected Participants in accordance with the 2024 Scheme Rules;
 - (ii) to determine the maximum number of H Shares to be acquired by the Scheme Trustee, in any event such quantity shall not render the Company unable to maintain the public float as required under the Listing Rules as modified by the waiver granted by the Stock Exchange upon the Listing;
 - (iii) to determine the Grant Date and Vesting Date of Award Shares;
 - (iv) to administer, amend and adjust the 2024 Scheme, including but not limited to, adjusting the Scheme Limit, adjusting the number of outstanding Award Shares or accelerate the Vesting Dates of any Awards, if such amendments require the approval of the Shareholders' meeting and/or relevant regulatory authorities

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pursuant to the relevant laws, regulations or requirements of the relevant regulatory authorities or as stipulated in the 2024 Scheme, the Board shall obtain the corresponding authorization for such amendments;

- (v) to decide on the selection, engagement and change of bank(s), accountant(s), lawyer(s), consultant(s) and other professional parties for the purpose of the 2024 Scheme;
- (vi) to sign, execute, amend and terminate all agreements and other relevant documents in connection with the 2024 Scheme, fulfill all relevant procedures in relation to the 2024 Scheme, and adopt other methods to implement the terms of the 2024 Scheme;
- (vii) to determine and adjust the standards and conditions of the vesting of the Awards as well as the Vesting Periods, evaluate and manage the performance indicators, and to determine whether Awards granted to the Selected Participants can be vested, and to delegate such authorization to the Executive Committee;
- (viii) to determine the execution, amendment and termination of the 2024 Scheme, including the forfeiture of Awards and continued vesting of Award Shares upon the changes in circumstances pertaining to the Selected Participants;
- (ix) to construe and interpret the 2024 Scheme Rules and to resolve any issues and disputes arising from or in connection with the 2024 Scheme;
- (x) to exercise any other authorizations in relation to matters necessary to the implementation of the 2024 Scheme granted by the Shareholders' meeting from time to time;
- (xi) under the name of the Company:
 - (a) to enter into the Trust Deed with the Scheme Trustee, pursuant to which the Scheme Trustee will provide trust services for the 2024 Scheme;
 - (b) to enter into the plan management agreement with Computershare Hong Kong Investor Services Limited, pursuant to which Computershare Hong Kong Investor Services Limited will provide plan management services in respect of the 2024 Scheme; and

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- (c) to set up a cash securities account so as to facilitate the provision of trading services and trading platform for the Selected Participants of the 2024 Scheme by Computershare Hong Kong Investor Services Limited;

- (xii) to authorize the Board and for the Board to further authorize the Executive Committee, during the validity period of such authorization, to individually or collectively handle all matters in relation to the 2024 Scheme with full authority, including but not limited to:
 - (a) matters in relation to the 2024 Scheme as set out in paragraphs (i) to (xi) above;

 - (b) on behalf of the Company, execute all documents in relation to the operations of and other matters of the 2024 Scheme, or providing instructions to the Scheme Trustee in relation to its operations, the execution of relevant documents in relation to the setting up of the accounts, operations of the accounts, and the setting up and operations of the cash securities account with Computershare Hong Kong Investor Services Limited under the name of the Company, the release of Award Shares for the purpose of the vesting of the Awards, or the sale of Award Shares on-market at the prevailing market price and pay the proceeds arising from such sale to Selected Participants, or directing and procuring the Scheme Trustee to release the Award Shares to the Selected Participants by transferring the Award Shares to the Selected Participants as determined by them from time to time, and confirming, allowing and approving all preceding matters arising from or in relation to the Trust Deed and the plan management agreement; and

 - (c) on behalf of the Company, approve, execute, refine, deliver, negotiate, agree on and agree to all such agreements, contracts, documents, regulations, matters and things (as the case may be) as it deems reasonable, necessary, desirable, appropriate or expedient, in order to implement and/or implement all transactions conducted accordingly, and make any reasonable alterations, amendments, changes, modifications and/or supplements as it deems necessary, desirable, appropriate or expedient. If there is a requirement to affix a company seal on any such agreement, contract or document, it has the right to sign the agreement, contract or document and affix the company seal in accordance with the Articles of Association in that case;

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(xiii) in the event that the 2024 Scheme is terminated and the Company decides to repurchase H Shares directly from the Scheme Trustee in accordance with the 2024 Scheme Rules (the “**Direct Repurchase of H Shares from the Scheme Trustee**”), to authorize the Board and further authorize by the Board the Executive Committee as well as its specific authorized person(s) (collectively, the “**Authorized Persons**”) with full authority to handle matters pertaining to any direct repurchase of H Shares from the Scheme Trustee and cancellation of such H Shares and reduction of the registered capital. The scope of the abovementioned authorization includes but is not limited to:

- (a) to appoint a securities broker on behalf of the Company to open an account with the Central Clearing and Settlement System (“CCASS”) of Hong Kong Securities Clearing Company Limited for the purpose of the Direct Repurchase of H Shares from the Scheme Trustee and execute any and all of the related documents. The aforementioned securities broker or Authorized Persons shall act as the representative of this account for the purposes of trading, withdrawing funds and securities, and executing all documents in relation to the Direct Repurchase of H Shares from the Scheme Trustee;
- (b) to withdraw the repurchased H Shares and funds (if any) on behalf of the Company from CCASS through the aforementioned securities broker or Authorized Persons;
- (c) to handle the cancellation of H shares and the update of the register of H Shareholders with Tricor Investor Services Limited, and confirm that the Authorized Persons shall have full authorization in the matter of the Direct Repurchase of H Shares from the Scheme Trustee and cancellation of such H Shares, including but not limited to executing any and all of the related documents;
- (d) to authorize Tricor Investor Services Limited to cancel the share certificates of the repurchased H Shares mentioned above and update the register of H Shareholders accordingly;
- (e) in the event of changes in the policies of regulatory authorities regarding the Direct Repurchase of H Shares from the Scheme Trustee and cancellation of such H Shares, or changes in market conditions, or changes in the method of handling repurchased H Shares after negotiation with the Scheme Trustee, except for matters that require the decision of the Board or Shareholders’ general meeting as stipulated by relevant laws, regulations, normative

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documents and the Articles of Association, the Authorized Persons shall have the right to make corresponding adjustments to the specific details of the Direct Repurchase of H Shares from the Scheme Trustee and cancellation of such H Shares (including but not limited to the method, timing, price and quantity of H Shares to be repurchased and cancelled) and any other related matters;

- (f) to implement, amend, authorize, execute and complete all necessary documents, agreements and contracts in relation to the Direct Repurchase of H Shares from the Scheme Trustee and cancellation of such H Shares and reduction of registered capital;
- (g) to fulfill all necessary obligations, including information disclosure, reporting to regulatory authorities and filings required by relevant domestic and foreign laws and regulations and the listing rules of the stock exchanges where the Shares are listed for the purpose of the Direct Repurchase of H Shares from the Scheme Trustee and cancellation of such H Shares and reduction of registered capital;
- (h) subject to the cancellation of the relevant H Shares and reduction of the registered capital after the Direct Repurchase of H Shares from the Scheme Trustee, to handle the amendments to the Articles of Association, the change of registered capital and the reporting to relevant departments or authorities; and
- (i) to handle any other matters that are not listed above but are necessary for the Direct Repurchase of H Shares from the Scheme Trustee and cancellation of such H Shares and reduction of the registered capital.

Except for authorized matters that require approval by the Board's resolution as specified by laws, regulations, rules of the CSRC, normative documents, the 2024 Scheme or the Articles of Association, the Executive Committee may directly exercise other authorized matters on behalf of the Board.

The aforementioned authorization to the Board and/or the Delegatee set out in paragraphs (i) to (xii) above shall be valid for the duration of the 2024 Scheme. The aforementioned authorization to the Board and the Authorized Persons set out in paragraph (xiii) above shall be valid during the period from the date of approval at the 2023 AGM up to the completion of the handling of the aforementioned matters.

NOTICE OF THE ANNUAL GENERAL MEETING OF 2023

SPECIAL RESOLUTIONS

14. To consider and approve the proposed change of registered capital of the Company and the Proposed Amendments to the Articles of Association.
15. To consider and approve the proposed amendments to the Rules of Procedure for Shareholders' Meetings.
16. To consider and approve the proposed amendments to the Rules of Procedure for Board Meetings.
17. To consider and if thought fit, pass with or without amendments, the following resolution regarding the proposed granting of general mandate to issue A Shares and/or H Shares:

“THAT:

- (a) Generally and unconditionally authorizing the Board of Directors to re-delegate the Chairman and its authorized persons to determine to allot, issue and deal with the A Shares and/or H Shares or similar rights separately or simultaneously, and to determine the terms and conditions for allotment, issuance and disposal of new shares or issue similar rights, including but not limited to:
 - (i) Class and number of new Shares to be issued;
 - (ii) Pricing mechanism and/or issue price of the new Shares to be issued (including price range);
 - (iii) The starting and closing dates of such issue;
 - (iv) The class and number of the new shares to be issued to existing Shareholders; and/or
 - (v) To make or authorize the share offer, agreements, share options, conversion rights or other rights (including the relevant rights under the share incentive plans of the Company, unless otherwise required by applicable laws and regulations) that may require the exercise of such rights (the “**General Mandate**”).

NOTICE OF THE ANNUAL GENERAL MEETING OF 2023

- (b) The number of the A Shares or H Shares (excluding the shares issued by way of the conversion of public reserve into share capital) to be allotted, issued and dealt with (whether pursuant to an option or otherwise) by the Board of Directors or the Chairman and its authorized persons separately or simultaneously in accordance with the General Mandate referred to in paragraph (a) above shall not exceed 20% of the number of the A shares and/or H shares of such class in issue of the Company at the time when this resolution is passed at the 2023 AGM.
- (c) Where the Board of Directors or the Chairman and its authorized persons have, during the effective period of the mandate specified in the paragraph (g) of this resolution, determined to allot, issue and deal with the A shares and/or H shares or similar rights, and the Company also has, during the effective period of the mandate, obtained the relevant approval, permission from, or registration (if applicable) with the regulatory authorities, the Board of Directors of the Company or the Chairman and its authorized persons may, during the effective period of such approval, permission or registration, complete the relevant allotment, issuance and disposal of such shares.
- (d) Authorizing the Board of Directors or the Chairman and its authorized persons to obtain an approval from all relevant government departments and/or regulatory authorities (if applicable) in accordance with the applicable laws as amended from time to time (including but not limited to the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange and the applicable laws and regulations of the regulatory authorities of the places where the shares of the Company are listed) to exercise the General Mandate.
- (e) Authorizing the Board of Directors or the Chairman and its authorized persons to approve, execute and do or procure to be executed and done, all such documents, deeds and things as it may consider necessary in connection with the allotment, issuance and disposal of any new shares under the above-mentioned General Mandate, handle the necessary procedures and take other necessary actions.
- (f) Authorizing the Board of Directors or the Chairman and its authorized persons to increase the registered capital of the Company and make appropriate and necessary amendments to the Articles of Association of the Company in accordance with the

NOTICE OF THE ANNUAL GENERAL MEETING OF 2023

way, type and number of the allotment and issuance of new shares of the Company and the actual shareholding structure of the Company upon completion of the allotment and issuance of new shares.

- (g) The effective period of the General Mandate shall be from the passing of this resolution to the following date, whichever is earlier:
 - (i) from the date when this resolution is passed at the 2023 AGM until the expiry of 12 months since then;
 - (ii) the date of conclusion of the 2024 annual general meeting of the Company; or
 - (iii) at the time of passing a special resolution by the Shareholders at the general meeting to revoke or vary the mandate under this resolution.”

18. To consider and if thought fit, pass with or without amendments, the following resolution regarding the proposed granting of general mandate to repurchase A Shares and/or H Shares:

“THAT:

- (a) Subject to the restrictions set forth in paragraph (b) and (c) below, the exercise by the Board of Directors during the Relevant Period of all the powers of the Company to repurchase the A shares listed on the Shanghai Stock Exchange and the H Shares listed on the Hong Kong Stock Exchange, subject to and in accordance with all applicable laws, regulations and rules and/or requirements of the governmental or regulatory body of securities in the PRC, the Hong Kong Stock Exchange and the Shanghai Stock Exchange or any other governmental or regulatory body be and is hereby approved;
- (b) The aggregate nominal amount of A Shares and/or H Shares of the Company authorized to be repurchased by the Company pursuant to the approval mentioned above during the Relevant Period shall not exceed 10% of the number of A Shares and/or H Shares in issue of the Company as at the date of the passing of this resolution at the 2023 AGM, the 2024 Second A Share Class Meeting and the 2024 Second H Share Class Meeting of the Company;

NOTICE OF THE ANNUAL GENERAL MEETING OF 2023

- (c) The first approval mentioned above shall be conditional upon satisfaction of all the following conditions:
- (i) The passing of a special resolution with the same terms as this resolution at both the 2024 Second H Share Class Meeting and the 2024 Second A Share Class Meeting of the Company;
 - (ii) The obtainment of an approval from all relevant regulatory authorities having jurisdiction over the Company (if applicable) as required by the laws, regulations and rules of the PRC; and
 - (iii) The Company not being required by any of its creditors to repay or to provide guarantees in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, at its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedures under the “Company Law of the People’s Republic of China” and the Articles of Association of the Company. If the Company determines to repay any amount to any of its creditors, the Company will do so out of its internal funds.
- (d) Subject to the approval of all relevant government authorities in the PRC for the repurchase of such shares of the Company being granted and subject to the abovementioned conditions, the Board of Directors be and is hereby authorized to:
- (i) Formulate and implement the specific repurchase plans, including but not limited to repurchase price and number of repurchased shares, and determine the time and duration of repurchase, etc.;
 - (ii) Notify creditors and issue announcements in accordance with the requirements of the relevant laws, regulations, normative documents and the Articles of Association;
 - (iii) Open overseas share accounts and carry out the related changes of foreign exchange registration procedures;
 - (iv) Carry out the relevant approval and filing procedures as required by regulatory authorities and the stock exchanges in the place where the shares of the Company are listed;

NOTICE OF THE ANNUAL GENERAL MEETING OF 2023

- (v) Carry out, execute and implement all such documents, do all such acts and things or take any steps as they consider desirable, necessary or expedient in connection with and to give effect to the repurchase of shares in accordance with the requirements of relevant laws and regulations and the listing rules of the stock exchanges in the place where the shares of the Company are listed;
 - (vi) Carry out the cancellation procedures for repurchased shares, reduce the registered capital, and make amendments which it deems appropriate to the Articles of Association of the Company to reflect the relevant provisions such as the total share capital and shareholding structure of the Company, and carry out the relevant statutory registrations and filings procedures in the PRC and abroad; and
 - (vii) Execute and handle other documents and matters related to the repurchase of shares.
- (e) For the purpose of this resolution, the “**Relevant Period**” means the period from the passing of this resolution at the 2023 AGM and the passing of those resolutions having the same terms with this resolution at the 2024 Second A Share Class Meeting and the 2024 Second H Share Class Meeting, respectively, until whichever is the earliest of:
- (i) Upon conclusion of the 2024 annual general meeting of the Company;
 - (ii) The expiration of a period of twelve months following the passing of this resolution at the 2023 AGM and the passing of those resolutions having the same terms with this resolution at the 2024 Second A Share Class Meeting and the 2024 Second H Share Class Meeting, respectively;
 - (iii) The time at which the authorization conferred by this resolution is revoked or varied by a special resolution of the Shareholders at a general meeting, or by a special resolution of its H shareholders and A shareholders at an H Share Class Meeting and an A Share Class Meeting, respectively.”

NOTICE OF THE ANNUAL GENERAL MEETING OF 2023

Details of the above resolutions proposed at the 2023 AGM are contained in the Circular, which is available on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.wuxiapptec.com.cn).

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

Hong Kong, May 10, 2024

As of the date of this notice, the Board comprises Dr. Ge Li, Dr. Minzhang Chen, Mr. Edward Hu, Dr. Steve Qing Yang and Mr. Zhaohui Zhang as executive Directors, Mr. Xiaomeng Tong and Dr. Yibing Wu as non-executive Directors and Ms. Christine Shaohua Lu-Wong, Dr. Wei Yu, Dr. Xin Zhang, Ms. Zhiling Zhan and Mr. Dai Feng as independent non-executive Directors.

* For identification purpose only

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 the Hong Kong Stock Exchange 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 more than one proxy to attend and on a poll, vote instead of him. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him.
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 certified copy of that power of attorney or authority, must be deposited at the Company’s H Share Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 24 hours before the time appointed for the meeting or the adjourned meeting (as the case may be) (i.e. not later than 2:00 p.m. on Tuesday, June 11, 2024 (Hong Kong time)). 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 instrument appointing a proxy shall be deemed to be revoked.
4. For determining the entitlement to attend and vote at the meeting, the register of members of the Company will be closed from Wednesday, June 5, 2024 to Wednesday, June 12, 2024, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the 2023 AGM, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s H Share Registrar in Hong Kong, 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 Tuesday, June 4, 2024.

NOTICE OF THE ANNUAL GENERAL MEETING OF 2023

5. For determining the entitlement to the proposed final dividend under the 2023 Profit Distribution Plan (subject to approval by the shareholders at the 2023 AGM), the register of members of the Company will be closed from Wednesday, June 19, 2024 to Tuesday, June 25, 2024, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's H Share Registrar in Hong Kong, Tricor Investor Services Limited, at the above address for registration not later than 4:30 p.m. on Tuesday, June 18, 2024.
6. References to time and dates in this notice are to Hong Kong time and dates.
7. In addition, the Company encourages the Shareholders to exercise their right to vote at the 2023 AGM by appointing the chairman of the 2023 AGM as their proxy to vote on the relevant resolutions at the 2023 AGM instead of attending the meeting in person, by completing and returning the enclosed form of proxy for use at the 2023 AGM in accordance with the instructions printed thereon.

NOTICE OF THE 2024 SECOND H SHARE CLASS MEETING



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)

NOTICE OF THE SECOND H SHARE CLASS MEETING FOR 2024

Notice is hereby given that the second H Share Class Meeting for 2024 (the “**2024 Second H Share Class Meeting**”) of WuXi AppTec Co., Ltd.* (無錫藥明康德新藥開發股份有限公司) (the “**Company**”) will be held at Sheraton Shanghai Waigaoqiao Hotel, 28 Jilong Road, Pilot Free Trade Zone, Shanghai, China on Wednesday, June 12, 2024 immediately after the conclusion of the 2023 AGM and the 2024 Second A Share Class Meeting and any adjournments thereof, for the following purposes of considering and, if deemed appropriate, approving the following resolution. In this notice, unless the context otherwise requires, capitalized terms and used herein shall have the same meanings as defined in the Company’s circular dated May 10, 2024 (the “**Circular**”).

SPECIAL RESOLUTION

1. To consider and if thought fit, pass with or without amendments, the following resolution regarding the proposed granting of general mandate to repurchase A Shares and/or H Shares:

“**THAT:**

- (a) Subject to the restrictions set forth in paragraph (b) and (c) below, the exercise by the Board of Directors during the Relevant Period of all the powers of the Company to repurchase the A shares listed on the Shanghai Stock Exchange and the H Shares listed on the Hong Kong Stock Exchange, subject to and in accordance with all applicable laws, regulations and rules and/or requirements of the governmental or regulatory body of securities in the PRC, the Hong Kong Stock Exchange and the Shanghai Stock Exchange or any other governmental or regulatory body be and is hereby approved;

NOTICE OF THE 2024 SECOND H SHARE CLASS MEETING

- (b) The aggregate nominal amount of A Shares and/or H Shares of the Company authorized to be repurchased by the Company pursuant to the approval mentioned above during the Relevant Period shall not exceed 10% of the number of A Shares and/or H Shares in issue of the Company as at the date of the passing of this resolution at the 2023 AGM, the 2024 Second A Share Class Meeting and the 2024 Second H Share Class Meeting of the Company;

- (c) The first approval mentioned above shall be conditional upon satisfaction of all the following conditions:
 - (i) The passing of a special resolution with the same terms as this resolution at both the 2023 AGM and the 2024 Second A Share Class Meeting of the Company;

 - (ii) The obtainment of an approval from all relevant regulatory authorities having jurisdiction over the Company (if applicable) as required by the laws, regulations and rules of the PRC; and

 - (iii) The Company not being required by any of its creditors to repay or to provide guarantees in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, at its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedures under the “Company Law of the People’s Republic of China” and the Articles of Association of the Company. If the Company determines to repay any amount to any of its creditors, the Company will do so out of its internal funds.

- (d) Subject to the approval of all relevant government authorities in the PRC for the repurchase of such shares of the Company being granted and subject to the abovementioned conditions, the Board of Directors be and is hereby authorized to:
 - (i) Formulate and implement the specific repurchase plans, including but not limited to repurchase price and number of repurchased shares, and determine the time and duration of repurchase, etc.;

NOTICE OF THE 2024 SECOND H SHARE CLASS MEETING

- (ii) Notify creditors and issue announcements in accordance with the requirements of the relevant laws, regulations, normative documents and the Articles of Association;
 - (iii) Open overseas share accounts and carry out the related changes of foreign exchange registration procedures;
 - (iv) Carry out the relevant approval and filing procedures as required by regulatory authorities and the stock exchanges in the place where the shares of the Company are listed;
 - (v) Carry out, execute and implement all such documents, do all such acts and things or take any steps as they consider desirable, necessary or expedient in connection with and to give effect to the repurchase of shares in accordance with the requirements of relevant laws and regulations and the listing rules of the stock exchanges in the place where the shares of the Company are listed;
 - (vi) Carry out the cancellation procedures for repurchased shares, reduce the registered capital, and make amendments which it deems appropriate to the Articles of Association of the Company to reflect the relevant provisions such as the total share capital and shareholding structure of the Company, and carry out the relevant statutory registrations and filings procedures in the PRC and abroad; and
 - (vii) Execute and handle other documents and matters related to the repurchase of shares.
- (e) For the purpose of this resolution, the “**Relevant Period**” means the period from the passing of this resolution at the 2023 AGM and the passing of those resolutions having the same terms with this resolution at the 2024 Second A Share Class Meeting and the 2024 Second H Share Class Meeting, respectively, until whichever is the earliest of:
- (i) Upon conclusion of the 2024 annual general meeting of the Company;

NOTICE OF THE 2024 SECOND H SHARE CLASS MEETING

- (ii) The expiration of a period of twelve months following the passing of this resolution at the 2024 Second H Share Class Meeting and the passing of those resolutions having the same terms with this resolution at the 2023 AGM and the 2024 Second A Share Class Meeting, respectively;
- (iii) The time at which the authorization conferred by this resolution is revoked or varied by a special resolution of the Shareholders at a general meeting, or by a special resolution of its H shareholders and A shareholders at an H Share Class Meeting and an A Share Class Meeting, respectively.”

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

Hong Kong, May 10, 2024

As of the date of this notice, the Board comprises Dr. Ge Li, Dr. Minzhang Chen, Mr. Edward Hu, Dr. Steve Qing Yang and Mr. Zhaohui Zhang as executive Directors, Mr. Xiaomeng Tong and Dr. Yibing Wu as non-executive Directors and Ms. Christine Shaohua Lu-Wong, Dr. Wei Yu, Dr. Xin Zhang, Ms. Zhiling Zhan and Mr. Dai Feng as independent non-executive Directors.

* For identification purpose only

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 the Hong Kong Stock Exchange 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 more than one proxy to attend and on a poll, vote instead of him. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him.
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 certified copy of that power of attorney or authority, must be deposited at the Company’s H Share Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 24 hours before the time appointed for the meeting or the adjourned meeting (as the case may be) (i.e. not later than 2:00 p.m. on Tuesday, June 11, 2024 (Hong Kong time)). 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 instrument appointing a proxy shall be deemed to be revoked.

NOTICE OF THE 2024 SECOND H SHARE CLASS MEETING

4. For determining the entitlement to attend and vote at the meeting, the register of members of the Company will be closed from Wednesday, June 5, 2024 to Wednesday, June 12, 2024, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the 2024 Second H Share Class Meeting, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's H Share Registrar in Hong Kong, 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 Tuesday, June 4, 2024.
5. For determining the entitlement to the proposed final dividend under the 2023 Profit Distribution Plan (subject to approval by the shareholders at the 2023 AGM), the register of members of the Company will be closed from Wednesday, June 19, 2024 to Tuesday, June 25, 2024, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's H Share Registrar in Hong Kong, Tricor Investor Services Limited, at the above address for registration not later than 4:30 p.m. on Tuesday, June 18, 2024.
6. References to time and dates in this notice are to Hong Kong time and dates.
7. In addition, the Company encourages the Shareholders to exercise their right to vote at the 2024 Second H Share Class Meeting by appointing the chairman of the 2024 Second H Share Class Meeting as their proxy to vote on the relevant resolutions at the 2024 Second H Share Class Meeting instead of attending the meeting in person, by completing and returning the enclosed form of proxy for use at the 2024 Second H Share Class Meeting in accordance with the instructions printed thereon.