
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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 XDC Cayman Inc., you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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WUXI XDC CAYMAN INC.

藥明合聯生物技術有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2268)

- (1) PROPOSED RE-ELECTION OF RETIRING DIRECTORS**
(2) PROPOSED ADOPTION OF THE 2024 SHARE SCHEME
(3) PROPOSED GRANT OF GENERAL MANDATES
TO ISSUE SHARES AND REPURCHASE SHARES
AND
(4) NOTICE OF ANNUAL GENERAL MEETING

The notice convening the Annual General Meeting of WuXi XDC Cayman Inc. to be held at No. 11 Xinhui Ring Road, Xinwu District, Wuxi City, Jiangsu, China on Wednesday, June 12, 2024 at 10:00 a.m. is set out in this circular.

Whether or not you are able to attend the Annual General Meeting, you are advised to read the notice and to complete and sign the enclosed form of proxy for use at the Annual General Meeting in accordance with the instructions stated thereon and return it to the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting (i.e. not later than 10:00 a.m. on Monday, June 10, 2024, Hong Kong time) or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the Annual General Meeting if they so wish. In such event, the form of proxy shall be deemed to be revoked.

The circular together with the form of proxy are also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.wuxixdc.com).

Holders of treasury Shares, if any, have no voting rights at the general meeting(s) of the Company for the purpose of the Listing Rules.

* *For identification purpose only*

May 21, 2024

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DEFINITIONS

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

“2024 Share Scheme”	the 2024 Share Scheme in its present form, as the same may be amended, supplemented or otherwise modified from time to time
“Adoption Date”	the date on which the 2024 Share Scheme is first approved by the Shareholders and becomes unconditional
“Annual General Meeting”	the annual general meeting of the Company to be held at No. 11 Xinhui Ring Road, Xinwu District, Wuxi City, Jiangsu, China on Wednesday, June 12, 2024 at 10:00 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 35 to 40 of this circular, or any adjournment thereof
“Articles of Association”	the second amended and restated articles of association of the Company currently in force
“associate(s)”	has the meaning ascribed to it in the Listing Rules
“Awards”	an award granted by the Board to a Selected Participant pursuant to the 2024 Share Scheme, which may take the form of an Option Award or a Restricted Share Award, as the Board may determine in accordance with the provisions of the 2024 Share Scheme
“Board”	board of Directors
“China” or “PRC”	the People’s Republic of China excluding, for the purpose of this circular, Hong Kong, Macau Special Administrative Region and Taiwan
“Company”	WuXi XDC Cayman Inc. (藥明合聯生物技術有限公司*), an exempted company incorporated under the laws of the Cayman Islands with limited liability on December 14, 2020, the Shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it in the Listing Rules
“core connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company

DEFINITIONS

“Eligible Participant(s)”	the Employee Participant(s), the Related Entity Participant(s) and the Service Provider(s)
“Employee Participant(s)”	the Director(s) and employee(s) (whether full-time or part-time) of the Company and/or any of its subsidiaries, and/or any person who is granted Awards under the 2024 Share Scheme as an inducement to enter into employment contract with the Company and/or any of its subsidiaries
“Exercise Period”	with respect to any Option Award, the period during which the Selected Participant may exercise the Option Award as may be determined by the Board, provided that such period shall not go beyond the day immediately prior to the tenth anniversary of the Grant Date in respect of such Option Award
“Exercise Price”	with respect to any Option Award, the price per Share at which the relevant Selected Participant may subscribe for new Shares upon the exercise of such Option Award
“Grant Date”	the date on which the Award is granted to a Selected Participant
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	May 16, 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Date”	November 17, 2023, the date on which dealings in the Shares commenced on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
“Nomination Committee”	the nomination committee of the Board
“Option”	a right (but not an obligation) to subscribe for Shares granted by the Company to a Selected Participant in accordance with the terms of the 2024 Share Scheme
“Option Award”	the grant of Options to any Selected Participant pursuant to the 2024 Share Scheme

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“Option Share(s)”	any Share(s) underlying any Option
“Related Entity Participant(s)”	the Director(s) and employee(s) (whether full-time, part-time or other employment arrangement) of the holding companies, fellow subsidiaries and/or associated companies of the Company
“Remuneration Committee”	the remuneration committee of the Board
“Restricted Share Award”	the grant of Restricted Shares to any Selected Participant pursuant to the 2024 Share Scheme
“Restricted Share(s)”	any Share(s) underlying any Restricted Share Award
“RMB”	Renminbi, the lawful currency of the PRC
“Scheme Mandate Limit”	the maximum number of Shares which may be issued and allotted in respect of all Awards to be granted under the 2024 Share Scheme and all options and awards to be granted under any other Share Scheme(s)
“Selected Participant(s)”	any Eligible Participant(s) who shall receive offer(s) of Award as designated by the Board in accordance with the terms of the 2024 Share Scheme
“Service Provider(s)”	any person(s) who provides services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long term growth of the Group or which will contribute to the growth of the Group’s financial or business performance, including, but not limited to, any independent contractor, consultant, agent and/or advisors for drug discovery, research and development, manufacturing, optimization and commercialization, technology advancement, strategic planning on corporate image and investor relations in investment environment of the Company and/or advisors who provide advisory services and consultancy services after stepping down from an employment or director position with the Group, provided that any placing agents or financial advisers providing advisory services to the Group for fundraising, mergers or acquisitions and professional services providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity should not be Service Providers for the purpose of the 2024 Share Scheme

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“Service Provider Sublimit”	the maximum number of Shares which may be issued and allotted in respect of all Awards to be granted to Service Provider(s) under the 2024 Share Scheme and all options and awards to be granted to Service Provider(s) under any other Share Scheme(s)
“Share(s)”	ordinary share(s) in the share capital of the Company with a par value of US\$0.00005 each, which include treasury Share(s), if any (for the avoidance of doubt and for the purpose of the Listing Rules, the holders of treasury Shares have no voting rights at the general meeting(s) of the Company)
“Shareholder(s)”	the holder(s) of the Share(s)
“Share Issue Mandate”	a general mandate proposed to be granted to the Directors to issue, allot or deal with additional Shares (including any sale or transfer of treasury Shares) not exceeding 20% of the total number of issued Shares (excluding any treasury Shares) as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of the Annual General Meeting
“Share Repurchase Mandate”	a general mandate proposed to be granted to the Directors to repurchase Shares on the Stock Exchange not exceeding 10% of the total issued Shares (excluding any treasury Shares) as at the date of passing of the proposed ordinary resolution contained in item 7 of the notice of the Annual General Meeting
“Share Scheme(s)”	share scheme(s) involving issuance of new Shares adopted and to be adopted by the Company from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong, as amended from time to time
“treasury Shares”	has the meaning ascribed to it under the Listing Rules which will come into effect on June 11, 2024 and as amended from time to time
“Trust”	the trust(s) constituted by the Trust Deed
“Trust Deed”	the trust deed to be entered into between the Company and the Trustee (as restated, supplemented and amended from time to time)

DEFINITIONS

“US\$”	United States dollar, the lawful currency of the United States of America
“Vesting Price”	the price per Share (if any) payable by the relevant Selected Participant to the Company at the vesting of the Award
“%”	per cent

LETTER FROM THE BOARD



WUXI XDC CAYMAN INC.

藥明合聯生物技術有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2268)

Executive Directors:

Dr. Jincai Li (*Chief Executive Officer*)
Mr. Jerry Jingwei Zhang (*Chief Operating Officer*)
Mr. Xiaojie Xi
(Chief Financial Officer and Company Secretary)

Registered office:

P.O. Box 309
Ugland House
Grand Cayman KY1-1104
Cayman Islands

Non-executive Directors:

Dr. Zhisheng Chen (*Chairman*)
Dr. Weichang Zhou
Ms. Ming Shi

Head office in the PRC:

No. 11 Xinhui Ring Road
Xinwu District
Wuxi City
Jiangsu Province
PRC

Independent non-executive Directors:

Dr. Ulf Grawunder
Mr. Stewart John Hen
Mr. Hao Zhou

Principal place of business

in Hong Kong:
31/F, Tower Two
Times Square
1 Matheson Street
Causeway Bay
Hong Kong

May 21, 2024

To the Shareholders

Dear Sir/Madam,

- (1) PROPOSED RE-ELECTION OF RETIRING DIRECTORS**
(2) PROPOSED ADOPTION OF THE 2024 SHARE SCHEME
(3) PROPOSED GRANT OF GENERAL MANDATES
TO ISSUE SHARES AND REPURCHASE SHARES
AND
(4) NOTICE OF ANNUAL GENERAL MEETING

* *For identification purpose only*

LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information regarding, among other things, (i) the proposed adoption of the 2024 Share Scheme; and (ii) certain resolutions to be proposed at the Annual General Meeting. These include ordinary resolutions relating to, among other things, (i) the proposed re-election of the retiring Directors; and (ii) the proposed grant of the Share Issue Mandate and the Share Repurchase Mandate.

2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

In relation to item 2 as set out in the notice of the Annual General Meeting, Dr. Jincal Li, Mr. Jerry Jingwei Zhang and Mr. Xiaojie Xi shall retire at the Annual General Meeting pursuant to Article 26.4 of the Articles of Association. All of the above Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

To ensure that the Board has a balance of skills, knowledge, experience and gender diversity as well as different perspectives appropriate to the Company's business needs and development, the Nomination Committee has reviewed the structure and composition of the Board, the confirmations and disclosures given by the retiring Directors, their qualifications, skills and experience, time commitment and contribution with reference to the nomination principles and criteria set out in the Company's Board Diversity Policy and Director Nomination Policy and the Company's corporate strategy, and the independence of all independent non-executive Directors. The Nomination Committee has recommended to the Board, and the Board has accepted such recommendations on the re-election of Dr. Jincal Li, Mr. Jerry Jingwei Zhang and Mr. Xiaojie Xi, who are due to retire at the Annual General Meeting, as executive Directors at the Annual General Meeting, respectively.

The biographies of the above retiring Directors who seek for re-election at the Annual General Meeting, namely Dr. Jincal Li, Mr. Jerry Jingwei Zhang and Mr. Xiaojie Xi, are set out in Appendix I to this circular.

3. PROPOSED ADOPTION OF THE 2024 SHARE SCHEME

The Board has resolved to propose the adoption of the 2024 Share Scheme to be approved and adopted by the Shareholders. The 2024 Share Scheme will constitute a share scheme involving issue of new shares under Chapter 17 of the Listing Rules.

The Board proposes the adoption of the 2024 Share Scheme, which will be valid for a period of ten (10) years from the Adoption Date, after which no further Awards will be granted. The purposes of the 2024 Share Scheme are to:

- (a) recognize the contributions of the Selected Participants;
- (b) encourage, motivate and retain the Selected Participants, whose contributions are beneficial to the continual operation, development and growth of the Group; and

LETTER FROM THE BOARD

- (c) provide additional incentive for the Selected Participants to achieve performance goals, with a view to achieving the objectives of increasing the value of the Group and aligning the interests of the Selected Participants to the Shareholders through ownership of Shares.

Scope of Eligible Participants

The Eligible Participants of the 2024 Share Scheme comprise Employee Participants, Related Entity Participants and Service Providers. The criteria for determination of their eligibility are set out in paragraph headed “3. DETERMINATION OF SELECTED PARTICIPANTS” in Appendix II to this circular.

In the case of Service Provider(s), it refers to any person(s) who, or entity which, provides services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long term growth of the Group or which will contribute to the growth of the Group’s financial or business performance, including, but not limited to, any independent contractor, consultant, agent and/or advisors who provide advisory services and consultancy services after stepping down from an employment or director position with the Group or otherwise. Their continuing and recurring engagement and cooperation with the Group would benefit it in its ordinary and usual course of business. Based on the criteria for determination of a Service Provider’s eligibility as a Selected Participant under the 2024 Share Scheme, the Board has categorized the Service Providers to include the Group’s:

- (a) Consultants. Those that provide advisory and consultancy services which are material and relevant to the Group’s operations (including, but not limited to, advisory and consultancy services in relation to drug discovery, research and development, manufacturing, optimization and commercialization, technology advancement, strategic planning, market advisory, recruitment and tax) and engage with the Group on a continuing or recurring basis;
- (b) Agents and contractors. Those that provide agency and subcontracting services (including, but not limited to, technical agency and subcontracting services in relation to drug discovery, research and development, manufacturing, optimization and commercialization, technology advancement, strategic planning, market advisory, recruitment and tax) to the Group tailored for particular project(s) on a continuing or recurring basis with whom the Group would consider important to maintain a close collaborative relationship on an ongoing basis;
- (c) Suppliers. Those that supply the Group with specialty materials and services (including, but not limited to, those in relation to drug discovery, research and development, manufacturing, optimization and commercialization, technology advancement, strategic planning, market advisory, recruitment and tax) to the Group on a continuing or recurring basis, with whom the Group would consider important to maintain a close business relationship on an ongoing basis; and

LETTER FROM THE BOARD

- (d) Independent exclusive regional channel partners. Those who together form an extensive sales and service network across the world and whose sales contributions have been and/or are expected to be meaningful to the Group's business growth whom the Group would consider beneficial to reward and further incentivize with vested ownership in the Group.

Whilst the scope of the Eligible Participants is not limited to the Directors and/or employees of members of the Group, the Board is of the view that Related Entity Participants and Service Providers are nonetheless valuable resources to the Group given their close corporate and collaborative relationship with the Group, as well as close connection with the Group's business. In addition, the officers and employees of the holding companies, fellow subsidiaries and/or associated companies of the Company ("**Related Entities**") and the Service Providers possess the necessary skill, knowledge and experience to support and assist the Group with its development and to secure the provision of quality services to the Group. As such, the Company recognizes the importance of their past or future contribution and considers the inclusion of Related Entity Participants and Service Providers as Eligible Participants will provide the Company with the flexibility to provide equity incentives (instead of expanding cash resources in the form of monetary consideration) to reward and collaborate with persons who are Related Entity Participants and Service Providers, but who may have exceptional expertise in their field or who may be able to provide valuable expertise and services to the Group or improve the performance of the Related Entities and enhance the Group's market position in the industry. Further, it is common for enterprises in the bioconjugate industry to have a close relationship with the Related Entities and Service Providers. Accordingly, the Board is of the view that the inclusion of Related Entity Participants and Service Providers as Eligible Participants, together with the selection criteria in respect of the Related Entity Participants and Service Providers, align with the purposes of the 2024 Share Scheme to recognize contributions made and to be made to the growth and development of the Group and the long term interests of the Company and the Shareholders.

Scheme Mandate Limit and Service Provider Sublimit

Pursuant to the terms of the 2024 Share Scheme, the maximum number of Shares which may be issued and allotted in respect of all Awards to be granted under the 2024 Share Scheme and, if applicable, all options and awards to be granted under any other Share Scheme(s), shall not exceed 3.0% of the Shares in issue (excluding any treasury Shares) as at the Adoption Date (subject to such higher limit as may be approved by the Shareholders from time to time). For the avoidance of doubt, the Company currently does not have any Share Scheme other than the 2024 Share Scheme where new grants can be made. The maximum number of Shares which may be issued and allotted in respect of Awards to be granted to Service Providers under the 2024 Share Scheme and, if applicable, all options and awards to be granted to Service Providers under any other Share Scheme(s), shall not exceed 0.3% of the Shares in issue (excluding any treasury Shares) as at the Adoption Date (subject to such higher limit as may be approved by the Shareholders from time to time). For the avoidance of doubt, the Service Provider Sublimit is within and is subject to the Scheme Mandate Limit.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,197,604,500 Shares. Assuming that there will be no change in the number of issued Shares between the Latest Practicable Date and the Adoption Date, (i) the total number of Shares which may be issued upon exercise and/or vesting of all Awards to be granted under the 2024 Share Scheme and, if applicable, all options and awards which may be granted under any other Share Scheme(s), would be 35,928,135 Shares (excluding any treasury Shares), representing 3.0% of the Shares in issue on the Adoption Date; and (ii) the total number of Shares which may be issued upon exercise and/or vesting of all Awards to be granted to Service Providers under the 2024 Share Scheme and, if applicable, all options and awards which may be granted to Service Providers under any other Share Scheme(s) would be 3,592,813 Shares (excluding any treasury Shares), representing 0.3% of the Shares in issue on the Adoption Date.

Exercise Period or vesting period

The Exercise Period or vesting period for the Awards (as the case may be) shall be determined by the Board at its sole and absolute discretion and shall end in any event not later than ten (10) years from the Grant Date.

The vesting period of the Awards granted under the 2024 Share Scheme shall not be less than twelve (12) months, whilst any grants to the Selected Participants may be subject to a shorter vesting period under specific circumstances or as reviewed by the Remuneration Committee as set out in the 2024 Share Scheme. In this connection, the Board and the Remuneration Committee are of the view that the 12-month vesting period should be allowed to be relaxed in certain circumstances given that such is in line with customary market practice, and allows flexibility for the Board to exercise discretion to formulate its own talent recruitment and retention strategies in response to changing market conditions and industry competition, and thus should be provided with flexibility to reward exceptional performers with accelerated vesting schedule, or under exceptional circumstances where justified, all of which aligns with the purposes of the 2024 Share Scheme.

Basis for determining the purchase price of Awards, the Exercise Price and the Vesting Price

In respect of an Award, the purchase price shall be such price, as determined by the Board in their absolute discretion, payable by a Selected Participant to the Company for acceptance of an Award. For the avoidance of doubt, the Board may determine such purchase price to be at nil consideration.

In respect of Option Shares, the basis for determining the Exercise Price is specified in paragraph headed “5. OFFER AND ACCEPTANCE; EXERCISE PRICE AND VESTING PRICE” in Appendix II to this circular.

In respect of Restricted Shares, the Vesting Price shall be such price as determined by the Board in their absolute discretion and notified to the Selected Participant in a notice of award. For the avoidance of doubt, the Board may determine the Vesting Price to be at nil consideration.

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The Board is of the view that the basis of determining the purchase price of Awards, the Exercise Price and the Vesting Price aligns with the purposes of the 2024 Share Scheme as the Selected Participants might receive an Award at a more competitive price than purchasing the Shares on the market, thus encouraging Selected Participant to contribute to the Company's long term growth and interests, and enhance the value of the Company and the Shares.

Performance targets and clawback mechanisms

The Board has the discretion to impose performance targets for the Awards which must be satisfied by the Selected Participant for the purpose of vesting (in the case of a Restricted Share Award) or becoming exercisable (in the case of an Option Award). The performance targets are determined by the Board based on a range of considerations (such as business or financial milestones, performance results or transaction milestones of the Company and individuals) which may vary among each Selected Participant.

Upon the occurrence of certain events in relation to a Selected Participant, any unvested Awards granted under the 2024 Share Scheme will automatically lapse, unless the Board resolves otherwise at its sole discretion, and such Selected Participant shall cease immediately to be entitled to all his/her rights and benefits to the unvested Awards under the 2024 Share Scheme. For details of the clawback mechanism of the 2024 Share Scheme, please refer to the paragraph headed "9. CLAWBACK" in Appendix II to this circular.

The Board is of the view that the performance targets and clawback mechanisms provide flexibility for the Board to specify appropriate conditions, restrictions and/or limitations on a case-by-case basis in its absolute discretion when offering and/or vesting Awards to Eligible Participants could provide a more meaningful and functional means to align with the purposes of the 2024 Share Scheme to encourage Selected Participants to contribute to the Company's long term growth and interests, and enhance the value of the Company and the Shares.

Conditions precedent of the proposed Adoption of the 2024 Share Scheme

The adoption of the 2024 Share Scheme is conditional upon (a) the passing of the necessary ordinary resolution at a general meeting of the Company approving the adoption of the 2024 Share Scheme; and (b) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal, in the Shares which may fall to be allotted and issued by the Company upon the exercise of the Awards that may be granted under the 2024 Share Scheme.

General

None of the Directors is a Trustee of the 2024 Share Scheme nor has a direct or indirect interest in the Trustees of the 2024 Share Scheme (if any).

The Company will, where applicable, comply with the applicable requirements under Chapter 17 of the Listing Rules in respect of the operation of the 2024 Share Scheme.

LETTER FROM THE BOARD

Subject to the approval by the Shareholders in respect of the adoption of the 2024 Share Scheme, application will be made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares which may fall to be issued in respect of all Awards to be granted under the 2024 Share Scheme.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, as at the Latest Practicable Date, no Shareholder had a material interest in the adoption of the 2024 Share Scheme. As such, no Shareholder is required to abstain from voting on the resolution(s) in relation thereto.

A summary of the principal terms of the 2024 Share Scheme is set out in Appendix II to this circular. A copy of the 2024 Share Scheme will be published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.wuxixdc.com for not less than fourteen (14) days before the date of the Annual General Meeting, and the same will be available for inspection at the Annual General Meeting.

4. PROPOSED GRANT OF GENERAL MANDATE TO ISSUE SHARES

The general mandate previously granted to the Directors to issue Shares at the extraordinary general meeting of the Company held on October 30, 2023 will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Share Issue Mandate to the Directors to issue, allot or deal with additional Shares (including any sale or transfer of treasury Shares) not exceeding 20% of the total number of issued Shares (excluding any treasury shares) as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of the Annual General Meeting (i.e. not exceeding a total of 239,520,900 Shares (excluding any treasury Shares) based on 1,197,604,500 Shares in issue as at the Latest Practicable Date and on the basis that no further Shares are issued or repurchased before the Annual General Meeting).

In addition, subject to a separate approval of the proposed ordinary resolution contained in item 8 of the notice of the Annual General Meeting, the number of Shares purchased by the Company under the proposed ordinary resolution contained in item 7 will also be added to extend the Share Issue Mandate as mentioned in the proposed ordinary resolution contained in item 6 provided that such additional value shall represent up to 10% of the total number of issued Shares (excluding any treasury Shares) as at the date of passing the proposed resolutions in relation to the Share Issue Mandate and Share Repurchase Mandate.

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

5. PROPOSED GRANT OF GENERAL MANDATE TO REPURCHASE SHARES

The general mandate previously granted to the Directors to repurchase Shares at the extraordinary general meeting of the Company held on October 30, 2023 will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the

LETTER FROM THE BOARD

Annual General Meeting to approve the granting of the Share Repurchase Mandate to the Directors to repurchase Shares on the Stock Exchange not exceeding 10% of the total number of issued Shares (excluding any treasury Shares) as at the date of passing of the proposed ordinary resolution contained in item 7 of the notice of the Annual General Meeting (i.e. not exceeding a total of 119,760,450 Shares based on 1,197,604,500 Shares in issue as at the Latest Practicable Date and on the basis that no further Shares are issued or repurchased before the Annual General Meeting).

The Directors do not have any immediate plan to repurchase any Shares pursuant to the Share Repurchase Mandate. The Company may cancel such repurchased Shares and/or hold them as treasury Shares, subject to market conditions and the Company's capital management needs at the relevant time any repurchases of Shares are made.

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

6. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 35 to 40 of this circular.

Pursuant to the Listing Rules and the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll save that the chairman may, in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under the Listing Rules. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolutions to be proposed at the Annual General Meeting. Separately and for the purpose of the Listing Rules, holders of treasury Shares (if any) shall abstain from voting on matters that require Shareholders' approval at the Company's general meetings.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.wuxidc.com). To be valid, the form of proxy must be completed and signed in accordance with the instructions stated thereon and deposited together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority at the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting (i.e. not later than 10:00 a.m. on Monday, June 10, 2024, Hong Kong time) or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish. In such event, the form of proxy shall be deemed to be revoked.

LETTER FROM THE BOARD

7. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

8. RECOMMENDATION

The Directors consider that the proposed re-election of retiring Directors, the proposed adoption of the 2024 Share Scheme, and the proposed grant of the Share Issue Mandate and the Share Repurchase Mandate are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favor of all the relevant resolutions to be proposed at the Annual General Meeting.

9. GENERAL INFORMATION

Your attention is also drawn to additional information set out in the Appendices I to III of this circular.

Yours faithfully,
For and on behalf of the Board
WuXi XDC Cayman Inc.
Dr. Jincal LI
Executive Director and Chief Executive Officer

PROPOSED RE-ELECTION OF RETIRING DIRECTORS

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

(1) Dr. Jincai Li — Executive Director

Dr. Jincai Li (李錦才), aged 51, has been a Director since the incorporation of the Company in December 2020, and re-designated as an executive Director and appointed as the chief executive officer of the Company since June 2023. He is primarily responsible for formulating overall strategic plans, business development and daily operations of the Group. Dr. Li has over 20 years of experience in biologics process development, scale-up and cGMP manufacturing. Under his leadership, the Group became a leading ADC and bioconjugates CRDMO, which was recognized by the 2022 World ADC Awards' Runner Up prize in the "Best CMO Provider" category and the winner of the 2023 World ADC Awards' prize in the "Best Contract Development Manufacturing Organization (CDMO)" category. Throughout 2021 and 2022, Dr. Li spearheaded the integration of the ADC capabilities into the Group and accumulatively his team had completed more than 40 ADCs/bioconjugates IND filings in China, US and Europe.

Dr. Li obtained a bachelor's degree in chemical engineering and technology and minor in chemistry from Tsinghua University (清華大學) in China in July 1996 and obtained a doctoral degree majoring in chemical and biochemical engineering from University of Maryland Baltimore County in the United States in August 2001.

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

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

Dr. Li does not have any relationships with any Directors or senior management or substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Dr. Li was interested in 32,455,840 underlying shares in respect of share options granted to him under the share option scheme adopted by the Company on November 23, 2021 and the share option scheme adopted by the Company on March 22, 2023 ("**2023 Pre-IPO Share Option Scheme**").

Dr. Li is entitled to a director and chief executive officer's salary of RMB2,070,000 per annum and a discretionary bonus, which is determined by the Board at the recommendation of the Remuneration Committee with reference to the Company's performance, the prevailing market condition and his performance.

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

(2) Mr. Jerry Jingwei Zhang — Executive Director

Mr. Jerry Jingwei Zhang (張靖偉), aged 56, has been an executive Director and the chief operating officer of the Company since April 2023. He is primarily responsible for managing the supply chain and operation supports and capacity expansion of the Group. Mr. Zhang has over 25 years of experience in the biotech industry.

Mr. Zhang obtained his bachelor's degree in biomedical science from Nankai University (南開大學) in China in July 1990 and received his master's degree in business administration from New York University, Stern School of Business in the United States in May 2002.

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

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

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

As at the Latest Practicable Date, Mr. Zhang was interested in 3,254,016 underlying shares in respect of share options granted to him under the 2023 Pre-IPO Share Option Scheme.

Mr. Zhang is entitled to a director and chief operating officer's salary of RMB1,389,000 per annum and a discretionary bonus, which is determined by the Board at the recommendation of the Remuneration Committee with reference to the Company's performance, the prevailing market condition and his performance.

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

(3) Mr. Xiaojie Xi — Executive Director

Mr. Xiaojie Xi (席曉捷), aged 48, has been an executive Director since June 2023 and the chief financial officer and company secretary of the Company since May 2023 and November 2023, respectively. Mr. Xi is primarily responsible for overseeing the overall financial management, financial matters and strategic development of the Group. He brings over 18 years of financial industry experience in the United States and China to the Company, including investment banking and private equity investment with many public and private companies.

Mr. Xi obtained his bachelor's degree in biochemistry from Wuhan University (武漢大學) in China in 1997 and obtained his master's degree in science from Rutgers, The State University of New Jersey in the United States in 2002. He further obtained his MBA degree with distinction from New York University, Stern School of Business in the United States in 2008.

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

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

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

As at the Latest Practicable Date, Mr. Xi was interested in 10,000,000 underlying shares in respect of share options granted to him under the 2023 Pre-IPO Share Option Scheme.

Mr. Xi is entitled to a director and chief financial officer's salary of RMB1,816,000 per annum and a discretionary bonus, which is determined by the Board at the recommendation of the Remuneration Committee with reference to the Company's performance, the prevailing market condition and his performance.

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

The following is a summary of the principal terms of the 2024 Share Scheme proposed to be adopted at the Annual General Meeting. It does not form part of, nor is it intended to be part of the rules of the 2024 Share Scheme. The Directors reserve the right at any time prior to the Annual General Meeting to make such amendments to the 2024 Share Scheme as they may consider necessary or appropriate provided that such amendments do not conflict with any material aspects with the summary in this Appendix.

1. PURPOSES OF THE 2024 SHARE SCHEME

The purposes of the 2024 Share Scheme are:

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

2. ADMINISTRATION

The 2024 Share Scheme shall be subject to the administration of the Board and the Trustee in accordance with the terms of the Scheme and, where applicable, the Trust Deed. Unless otherwise specified herein, the decision of the Board regarding the administration and operation of the 2024 Share Scheme shall be final and binding on all parties. The Board has the power to administer the 2024 Share Scheme, including the power to interpret the rules of the 2024 Share Scheme, and the terms of the Awards granted under the 2024 Share Scheme.

3. DETERMINATION OF SELECTED PARTICIPANTS

- (i) Subject to other provisions of the 2024 Share Scheme, the Board may, from time to time, at its sole and absolute discretion, select any Eligible Participant for participation in the 2024 Share Scheme as a Selected Participant, and grant an Award to any Selected Participant at such consideration and subject to such terms and conditions as the Board may in its sole and absolute discretion determine.
- (ii) In determining a Selected Participant's entitlement under the 2024 Share Scheme, the Board may take into account from time to time on the basis of the Board's sole opinion as to, among others, time commitment, performance, background, responsibilities or employment conditions according to the prevailing market practice and industry standard and the length of engagement with the Group and the actual or potential contribution to the development and growth of the Group, and the amount of support, assistance, guidance, advice, effort and contributions the Eligible Participants have exerted and given towards the success of the Group.

- (iii) In determining a Related Entity Participant's eligibility as Selected Participant under the 2024 Share Scheme, the Board may take into account a range of factors as it considers appropriate which include, but are not limited to:
- (a) the length of collaborative relationship the Related Entity Participant has established with the Group;
 - (b) the positive impact the Related Entity Participant has brought to the Group's business development;
 - (c) whether the Related Entity Participant has assisted the Group in tapping into new markets and/or increased its market share; and
 - (d) the materiality and nature of the business relation of the holding companies, fellow subsidiaries or associated companies of the Company and the Related Entity Participant's contribution in such holding companies, fellow subsidiaries or associated companies of the Company which may benefit the core business of the Group through a collaborative relationship.
- (iv) In determining a Service Provider's eligibility as Selected Participant under the 2024 Share Scheme, the Board may take into account a range of factors as it considers appropriate which include, but are not limited to:
- (a) the scale of the Service Provider's business dealings with the Group (in terms of fees payable to him/her/it, where applicable);
 - (b) the length of business relationships between Service Provider and the Group;
 - (c) the performance of the relevant person or entity as a Service Provider, including the quality of their services previously provided to the Group;
 - (d) the Service Provider's contributions to the profits and/or business development of the Group and potential contributions to be made to the Group in light of Service Provider's experience, qualifications, know-how and/or network, market conditions of the services that they provide to the Group;
 - (e) the scarcity of their services which may therefore justify compensation in the long run;
 - (f) the possibility of developing a long term business relationship with such person as a Service Provider, to secure the supply of quality services for the Group, which may avoid replacement cost and reduce transaction cost in the long run;
 - (g) the positive impact they have brought to the Group's business development; and
 - (h) such other factors as the Board may at its discretion considers appropriate,

and in assessing whether the Service Provider provides services to the Group on a continuing and recurring basis, the Board may take into account the length and type of services provided and the recurrences and regularity of such services, and benchmark such metrics against the performance of the employees, officers and directors of the Group to whom the Group provides equity incentives, while also taking into account the purposes of the 2024 Share Scheme and the objectives in engaging the Service Provider.

4. SCHEME MANDATE LIMIT AND MAXIMUM NUMBER OF SHARE TO BE GRANTED UNDER THE 2024 SHARE SCHEME

- (i) The maximum number of Shares which may be issued and allotted in respect of all Awards to be granted under the 2024 Share Scheme and, if applicable, all options and awards to be granted under any other Share Scheme(s), shall not exceed 3.0% of the Shares in issue (excluding any treasury Shares) as at the Adoption Date (subject to such higher limit as may be approved by the Shareholders from time to time).
- (ii) The maximum number of Shares which may be issued and allotted in respect of all Awards to be granted to Service Providers under the 2024 Share Scheme and, if applicable, all options and awards to be granted to Service Providers under any other Share Scheme(s), shall not exceed 0.3% of the Shares in issue (excluding any treasury Shares) as at the Adoption Date (subject to such higher limit as may be approved by the Shareholders from time to time). For the avoidance of doubt, the Service Provider Sublimit forms part of and is subject to the Scheme Mandate Limit.
- (iii) Subject to the other provisions of the 2024 Share Scheme, the Company may seek approval from its Shareholders at general meeting to refresh the Scheme Mandate Limit and/or the Service Provider Sublimit (a) after three years from the Adoption Date or the date of Shareholders' approval for the last refreshment; or (b) at any time, with the approval of the Shareholders at general meeting and subject to compliance with the applicable requirements under the Listing Rules, such that the aggregate number of Shares which may be issued in respect of all Awards to be granted under the 2024 Share Scheme and, if applicable, all options and awards to be granted under any other Share Scheme(s) under the Scheme Mandate Limit and the Service Provider Sublimit shall not exceed 3.0% and 0.3% of Shares in issue (excluding any treasury Shares) as of the date of approval of the refreshed limits (subject to such higher limit as may be approved by the Shareholders from time to time). The Company may seek separate approval from the Shareholders at general meeting for granting Awards beyond the Scheme Mandate Limit and/or the Service Provider Sublimit to Selected Participants specifically identified by the Company.

Individual Limit

- (i) Where any grant of Awards under the 2024 Share Scheme to a Selected Participant would result in the Shares issued and to be issued in respect of all Option Shares and/or Restricted Shares, options and awards granted (excluding any Option Shares and/or Restricted Shares, options and awards lapsed in accordance with the terms of the 2024 Share Scheme or any other Share Scheme(s)) to such Selected Participant in the twelve (12)-month period up to and including the date of such grant representing in aggregate over 1% of the Shares in issue (excluding any treasury Shares) (the “**1% Individual Limit**”), such grant of Awards must be separately approved by the Shareholders at general meeting with such Selected Participant and his or her close associates (or his or her associates if the Selected Participant is a connected person of the Company) abstaining from voting, and subject to compliance with the applicable requirements under the Listing Rules.
- (ii) Where any grant of Awards under the 2024 Share Scheme (excluding grant of Option Awards) to any Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates would result in the Shares issued and to be issued in respect of all Option Shares and/or Restricted Shares, options and awards granted (excluding any Option Shares and/or Restricted Shares, options and awards lapsed in accordance with the terms of the 2024 Share Scheme or any other Share Scheme(s)) to such Selected Participant in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue (excluding any treasury Shares), such further grant of Awards must be approved by the Shareholders at general meeting in the manner required (with such Selected Participant, his or her associates and all core connected persons of the Company abstaining from voting in favour at such general meeting), and subject to compliance with the applicable requirements under the Listing Rules.
- (iii) Where any grant of Awards under the 2024 Share Scheme to an independent non-executive Director or a substantial shareholder of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all Option Shares and/or Restricted Shares, options and awards granted (excluding any Option Shares and/or Restricted Shares, options and awards lapsed in accordance with the terms of the 2024 Share Scheme or any other Share Scheme(s)) to such independent non-executive Director or substantial shareholder of the Company in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue (excluding any treasury Shares), such further grant of Awards must be approved by the Shareholders at general meeting in the manner required (with such Selected Participant, his or her associates and all core connected persons of the Company abstaining from voting in favour at such general meeting), and subject to compliance with the applicable requirements under the Listing Rules.

5. OFFER AND ACCEPTANCE; EXERCISE PRICE AND VESTING PRICE

- (i) Subject to the other provisions of the 2024 Share Scheme and compliance with the applicable Listing Rules, the Board shall be entitled (but shall not be bound), at any time and from time to time and within a period commencing on the Adoption Date and ending on the expiry of the period of ten (10) years from the Adoption Date (both dates inclusive), to make an Award to any Selected Participant as it may, in its absolute discretion, select, and subject to such conditions as the Board may think fit.
- (ii) The Company will notify each relevant Selected Participant of his or her entitlement to the Options and/or Restricted Shares (as the case may be) by way of a notice in writing in such form as the Board may from time to time determine, specifying the details of the Award (each, a “**Notice of Award**”). The Board may, in respect of each Award, and subject to all applicable laws, rules and regulations, determine the performance targets, if any, for vesting of Awards in its sole and absolute discretion. Any such performance targets shall be set out in the Notice of Award.
- (iii) An Award shall, unless otherwise determined by the Board at its sole discretion, be deemed to have been granted and accepted, and to have taken effect when the duplicate letter comprising acceptance of the Award duly signed by the Selected Participant (each, an “**Acknowledgment Form**”) together with a payment which the Board may in its absolute discretion determine the amount (if any) payable on acceptance of an Award and the period within which any such payments must be made, and such amounts (if any) and periods shall be set out in the relevant Notice of Award is received by the Company within the time period specified in the Notice of Award.
- (iv) In respect of Awards to be granted in the form of Option Awards, the Board shall determine and notify the Selected Participant in the Notice of Award:
 - (a) the Exercise Price in respect of such Options, provided that such Exercise Price must be not less than the highest of (i) the nominal value of a Share; (ii) the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheet on the Grant Date, which must be a business day; and (iii) the average closing price of the Shares as stated in the Stock Exchange’s daily quotations sheets for the five business days immediately preceding the Grant Date; and
 - (b) the Exercise Period for such Option Awards, which shall not be more than ten (10) years from the Grant Date, subject to the provisions for early termination under the terms of the 2024 Share Scheme.

- (v) In respect of Awards to be granted in the form of Restricted Share Awards, the Board may determine in its absolute discretion the amount (if any) payable on acceptance and/or upon vesting of such Awards and the period within which any such payments must be made, and such amounts (if any) and periods shall be set out in the Notice of Award. For the avoidance of doubt, the Board may determine the Vesting Price to be nil.

6. EXERCISE AND SETTLEMENT OF AWARDS

- (i) The vesting period in respect of any Award shall not be less than twelve (12) months or such other period as determined by the Board at its absolute and sole discretion subject to compliance with the applicable Listing Rules may prescribe or permit, provided that the vesting period in respect of any Award granted to the Employee Participants may be less than twelve (12) months from the Grant Date (including on the Grant Date) in the following circumstances or as approved by the Remuneration Committee or the Board:
 - (a) grants of “make-whole” Awards to new Selected Participants to replace share options or share awards such Selected Participants forfeited when leaving their previous employers;
 - (b) grants to a Selected Participant whose employment is terminated due to death or disability or event of force majeure;
 - (c) grants of Awards which are subject to the fulfilment of performance targets pursuant to the 2024 Share Scheme in lieu of time-based vesting conditions;
 - (d) grants of Awards the timing of which is determined by administrative or compliance requirements not connected with the performance of the relevant Selected Participant, in which case the vesting date may be adjusted to take account of the time from which the Award would have been granted if not for such administrative or compliance requirements; or
 - (e) grants of Awards with a mixed or accelerated vesting schedule such that the Awards vest evenly over a period of twelve (12) months.

7. LAPSE OF SHARE AWARDS

- (i) In the event that (a) a Selected Participant ceases to be an Eligible Participant by reason of termination of employment (otherwise than by reason of redundancy or by unilateral termination of employment by the Company without cause); (b) the Selected Participant has been summarily dismissed by the Company; (c) the Selected Participant has been convicted for any criminal offence involving his integrity or honesty; (d) the Selected Participant has been charged, convicted or held liable for any offence under the relevant securities laws in the PRC, Hong Kong or any other applicable laws or regulations in force from time to time; (e) the Selected Participant has committed any material breach of any contract entered into between the Selected

Participant on the one hand and any member of the Group on the other hand; (f) the Selected Participant has become bankrupt or unable to pay his or her debts, or is subject to any bankruptcy or analogous proceedings or has made any arrangement or composition with his or her creditors generally; (g) the Selected Participant is deceased, disabled or becomes mentally incapacitated, subject to the provisions of the 2024 Share Scheme; (h) an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company (otherwise than for the purposes of, and followed by, an amalgamation or reconstruction in such circumstances that substantially the whole of the undertaking, assets and liabilities of the Company pass to a successor company); or (i) the Selected Participant retires by agreement with the Company at any time prior to or on the vesting date, then:

- (A) in the case of an Option Award, save as determined otherwise by the Board at its sole discretion, the Selected Participant (or, if applicable, his or her legal personal representative) may exercise the Option up to his or her entitlement at the date of the relevant event above (to the extent not already exercised) within a period of one month (or such longer period as the Board may determine) from the date of the relevant event, and the Option not exercised within the said one month's period will automatically lapse, and the Selected Participant shall cease immediately to be entitled to all his or her rights and benefits to the unexercised Option;
- (B) in the case of a Restricted Share Award, save as determined otherwise by the Board at its sole discretion, any unvested Restricted Shares before the date of the relevant event above will automatically lapse, and the Selected Participant shall cease immediately to be entitled to all his or her rights and benefits to the unvested Restricted Shares,

provided that, for the avoidance of doubts, in the event of the death or incapacitation of a Selected Participant, the Trustee shall hold the Option Shares or the Restricted Shares which a Selected Participant is entitled to be vested before the death or incapacitation of such Selected Participant and the related income thereto (hereinafter referred to as the “**Benefits**”) on trust and will transfer the same to the legal personal representatives of the Selected Participant. Without prejudice to all applicable regulations, ordinances or statutes, if the Benefits or any part thereof shall be held by the Trustee without being transferred or applied under the foregoing powers within (a) two years of the death or incapacitation of the Selected Participant (or such longer period as the Trustee and the Board shall agree in writing from time to time) or (b) the trust period as defined in the Trust Deed (whichever is shorter), the Benefits shall, save as determined otherwise by the Board at its sole and absolute discretion, be forfeited and cease to be transferable and such Benefits shall be deemed and held as returned shares for the purposes of the 2024 Share Scheme.

- (ii) In the event that the Selected Participant who is a Service Provider or Related Entity Participant ceases to be an Eligible Participant by reason of any one or more of the following grounds:

- (a) in the case of the Selected Participant who is a Related Entity Participant, that he/she ceases to be associated with the Related Entity as a result of resignation, termination, dismissal or retirement;
- (b) that there has been a breach of contract entered into between the Selected Participant and any member of the Group;
- (c) that the Selected Participant's engagement or appointment has been terminated in the sole and absolute opinion of the Board;
- (d) that the Selected Participant is, in the sole and absolute opinion of the Board, no longer contributing to the development or success of the Group, or has become a competitor of any member of the Group; and
- (e) that the Selected Participant has committed any serious misconduct,

then, save as determined otherwise by the Board at its sole discretion, the Award (to the extent not already exercised or vested) shall immediately lapse and shall not be exercisable or vested, and the Selected Participant shall cease immediately to be entitled to all his or her rights and benefits to the Award;

- (iii) In the event that the Selected Participant ceases to be an Eligible Participant for any reason other than the reasons specified in the other provisions of the 2024 Share Scheme, then, save as determined otherwise by the Board at its sole discretion, the Award (to the extent not already exercised or vested) shall immediately lapse and shall not be exercisable or vested, and the Selected Participant shall cease immediately to be entitled to all his or her rights and benefits to the Award; and
- (iv) In the event that there occurs an event of change in control of the Company, whether by way of general or partial offer, merger, scheme of arrangement, a dissolution or liquidation of the Company or otherwise, all the outstanding Awards shall automatically vest in the respective Selected Participant on the date when such change of control event becomes or is declared unconditional and such date shall be deemed to be the vesting date.

8. ASSIGNMENT

- (i) Any Award granted under the 2024 Share Scheme are personal to such Selected Participant and cannot be assigned or transferred, except in circumstances where the prior written approval of the Board has been obtained and (if necessary) a waiver has been granted by the Stock Exchange where such transfer in compliance with requirements of the Listing Rules and provided that any such transferee shall be bound by the terms of the 2024 Share Scheme and all applicable Notice of Award as if the transferee were the Selected Participant.

- (ii) Any attempt by a Selected Participant to sell, transfer, charge, mortgage, grant, encumber or create any interest in favour of any third party over an Award to which he or she is entitled shall be null and void, except in accordance with the provisions of the 2024 Share Scheme.

9. CLAWBACK

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

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

then the Board may make a determination at its absolute discretion that: (A) any Awards issued to that Selected Participant (if such Awards are unvested) shall immediately lapse, (B) with respect to any Option Shares or Restricted Shares issued or transferred to that Selected Participant, the Selected Participant shall be required to transfer back to the Company or its nominee (1) the equivalent number of Shares, (2) an amount in cash equal to the market value of such Shares, or (3) a combination of (1) and (2), and/or (C) with respect to any Option Shares or Restricted Shares held by the Trustee for the benefit of the Selected Participant, those Option Shares or Restricted Shares shall no longer be held on trust for nor inure to the benefit of the Selected Participant.

10. CANCELLATION

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

11. DURATION AND TERMINATION

The 2024 Share Scheme shall commence on the Adoption Date and terminate upon the expiry of the period of ten (10) years from such date, unless terminated earlier by a resolution of the Board. Any termination shall be without prejudice to any subsisting rights of any Selected Participant. Notwithstanding the termination of the 2024 Share Scheme, the 2024 Share Scheme and the provisions of the 2024 Share Scheme shall in all other respects continue to be valid and effective to the extent necessary to give effect to the vesting and exercise of any Awards granted prior to the termination of the 2024 Share Scheme.

12. VOTING RIGHTS

- (i) Neither the Selected Participant nor the Trustee may exercise any of the voting rights in respect of any Option Shares or Restricted Shares that have not yet vested. Upon the Option Shares or Restricted Shares being vested and transferred to the relevant Selected Participant, each Selected Participant shall be entitled to exercise all voting rights in respect of such Option Shares or Restricted Shares.
- (ii) Awards do not carry any right to vote at general meetings of the Company, nor any right to dividends, transfer or other rights. No Selected Participant shall enjoy any of the rights of a shareholder of the Company by virtue of the grant of an Award unless and until the Shares underlying an Award are delivered to the Selected Participant pursuant to the vesting of such Award.

13. RANKING OF SHARES

No dividends shall be payable in relation to Shares that are the subject of Awards that have not been exercised. Shares allotted and issued upon the exercise of an Award will be subject to all the provisions of the Articles of Association and will rank *pari passu* in all respects with the other existing Shares in issue on the date of allotment and issue of the relevant Shares.

14. REORGANIZATION OF CAPITAL STRUCTURE

- (i) In the event of any alteration in the capital structure of the Company by way of capitalization of profits or reserves, rights issue, sub-division or consolidation of the Shares or reduction of the share capital of the Company (other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party) after the Adoption Date, corresponding adjustments will be made to (a) the number of outstanding Option Shares and/or Restricted Shares that have been granted; and (b) the Exercise Price or the Vesting Price of outstanding Option Shares and/or Restricted Shares provided that the adjustments shall be made in such manner as the Board determines to be fair and reasonable in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the 2024 Share Scheme for the Selected Participants.

- (ii) Any such adjustment shall be subject to a written confirmation from an independent financial advisor engaged by the Company or the auditor of the Company to the Board to be in their opinion fair and reasonable that: (a) any such adjustments should give each Selected Participant the same proportion (or rights in respect to the same proportion) of the equity capital of the Company, rounded to the nearest whole Share, as that to which that Selected Participant was previously entitled prior to such adjustments; and (b) no such adjustments shall be made which would result in a Share being issued at less than its nominal value. The capacity of the independent financial advisor or the auditor of the Company (as the case may be) in paragraph 14 is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the Selected Participants.
- (iii) To the extent not otherwise determined by the Board in accordance with paragraph 14, the methods of adjustment of the number of Option Shares or Restricted Shares are set out as below:

Capitalization issue

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

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

Rights issue

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

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

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

$$Q = Q_0 \times n$$

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

- (iv) To the extent not otherwise determined by the Board in accordance with paragraph 14, the methods of adjustment of the Exercise Price or Vesting Price are set out as below:

Capitalization issue

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

Where: “P₀” represents the Exercise Price or Vesting Price of outstanding Option Shares or Restricted Shares prior to adjustment; “n” represents the ratio per Share resulting from the capitalization issue; “P” represents the Exercise Price or Vesting Price of outstanding Option Shares or Restricted Shares after adjustment.

Rights issue

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

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

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

$$P = P_0 \div n$$

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

15. ALTERATION OF THE 2024 SHARE SCHEME

- (i) Subject to the terms of the 2024 Share Scheme, the 2024 Share Scheme may be altered or varied in any respect by a resolution of the Board at any time and in any respect, provided that the terms of the 2024 Share Scheme and the Awards granted under the 2024 Share Scheme so altered must comply with the applicable requirements under the Listing Rules.

- (ii) The approval of the Shareholders by ordinary resolution at general meeting is required for (a) any amendment and/or supplements to the terms and conditions of the 2024 Share Scheme which are of a material nature or to the provisions of the 2024 Share Scheme which relate to the matters governed by the Listing Rules to the extent such alteration or amendment operates to the advantage of the Selected Participants; or (b) any change to the authority of the Board or administrators of the Scheme to alter the provisions of the 2024 Share Scheme.

- (iii) Any change to the terms of the Awards granted must be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the shareholders of the Company (as the case may be) if the initial grant of the Awards was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be). This requirement does not apply where the amendment takes effect automatically under the existing terms of the 2024 Share Scheme.

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

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,197,604,500 Shares and the Company did not hold any treasury Shares.

Subject to the passing of the ordinary resolution set out in item 7 of the notice of the Annual General Meeting in respect of the granting of the Share Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, the Directors would be authorized under the Share Repurchase Mandate to repurchase, during the period from the date of resolution granting the Share Repurchase Mandate until the earliest of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period which the next annual general meeting of the Company is required by law or the Articles of Association to be held; and (iii) its revocation or variation by ordinary resolution of the Shareholders in a general meeting, a total of 119,760,450 Shares, representing 10% of the total number of Shares in issue as at the date of passing of the relevant resolution for granting the Share Repurchase Mandate (excluding any treasury Shares).

Under the existing Listing Rules, the Company is required to cancel any Shares purchased by the Company as soon as reasonably practicable following such purchase. The Company notes that with effect from June 11, 2024, the Listing Rules will be amended to remove the requirement to cancel repurchased shares and to adopt a framework to govern the resale of treasury Shares. In view of the changes to the Listing Rules, if the Company purchases any Shares pursuant to the Share Repurchase Mandate, the Company may cancel the repurchased Shares and/or hold them as treasury Shares, subject to market conditions and the Company's capital management needs at the relevant time any repurchases of Shares are made. If the Company holds any treasury Shares, any sale or transfer of treasury Shares will be subject to the terms of the Share Issue Mandate and made in accordance with the Listing Rules and applicable laws and regulations of the Cayman Islands.

To the extent that any treasury Shares are deposited with the Central Clearing and Settlement System ("CCASS") pending resale on the Stock Exchange, the Company will adopt appropriate measures to ensure that it does not exercise any shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in its own name as treasury Shares. The Company (i) will not (or will procure its broker not to) give any instructions to Hong Kong Securities Clearing Company Limited to vote at general meetings for the treasury Shares deposited with CCASS and (ii) in the case of dividends or distributions, the Company will withdraw the treasury Shares from CCASS, and either re-register them in its own name as treasury Shares or cancel them, in each case before the record date for the dividends or distributions.

2. REASONS OF SHARE REPURCHASE

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

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

3. FUNDING OF SHARE REPURCHASE

The Company may only apply funds legally available for Share repurchase in accordance with Articles of Association, the Listing Rules and the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

4. IMPACT OF SHARE REPURCHASE

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

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements contained in the annual report of the Company for the year ended December 31, 2023) in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

5. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which the Shares have traded on the Stock Exchange during the period from the Listing Date up to and including the Latest Practicable Date were as follows:

Month	Share Price Per Share	
	Highest HK\$	Lowest HK\$
2023		
November ^(Note)	29.65	26.35
December	34.00	26.45
2024		
January	33.10	18.94
February	22.65	12.08
March	23.70	15.06
April	22.40	16.50
May (up to and including the Latest Practicable Date)	23.20	16.22

Note: The Shares are listed in the main board of the Stock Exchange on November 17, 2023.

6. GENERAL

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

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

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to repurchase Shares under the Share Repurchase Mandate pursuant to the proposed resolution to be approved at the Annual General Meeting in accordance with the Listing Rules and applicable laws of the Cayman Islands.

The Directors have confirmed that neither the explanatory statement set out in Appendix III to this circular nor the proposed share repurchase has unusual features.

7. TAKEOVERS CODE

If as a result of a repurchase of Shares by the Company pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

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

8. SHARE REPURCHASE MADE BY THE COMPANY

During the period from the Listing Date up to and including the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Stock Exchange or otherwise).

NOTICE OF ANNUAL GENERAL MEETING



WUXI XDC CAYMAN INC.

藥明合聯生物技術有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2268)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (the “**Meeting**”) of WuXi XDC Cayman Inc. 藥明合聯生物技術有限公司* (the “**Company**”) will be held at No. 11 Xinhui Ring Road, Xinwu District, Wuxi City, Jiangsu, China on Wednesday, June 12, 2024 at 10:00 a.m. for the following purposes:

1. To receive the audited consolidated financial statements of the Company and its subsidiaries and the reports of the Directors and of the independent auditor of the Company for the year ended December 31, 2023.
2. To re-elect the following directors of the Company (the “**Directors**”, each a “**Director**”), each as a separate resolution:
 - (a) To re-elect Dr. Jincal Li as executive Director.
 - (b) To re-elect Mr. Jerry Jingwei Zhang as executive Director.
 - (c) To re-elect Mr. Xiaojie Xi as executive Director.
3. To authorize the board of Directors or any duly authorized board committee to fix the Directors’ remuneration for the year ending December 31, 2024.
4. To re-appoint Messrs. Deloitte Touche Tohmatsu as auditors and to authorize the board of Directors or any duly authorized board committee to fix their remuneration.
5. To consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

“THAT:

- (a) conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the approval of the listing of, and permission to deal in, the shares of the Company (the “**Shares**”) may fall to be issued and allotted pursuant to the vesting and/or exercise of any share awards and/or share options (the “**Awards**”) that may be granted under the 2024 share scheme of the Company (the rules of which are contained in the document

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

marked “A” produced to this meeting and signed by the chairman of this meeting for the purpose of identification) (the “**2024 Share Scheme**”) and the passing of ordinary resolution in paragraph (b) below, the 2024 Share Scheme be and is hereby approved and adopted and that any director of the Company be and is hereby authorized to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the 2024 Share Scheme including without limitation:

- (i) to administer the 2024 Share Scheme and grant the Awards to the eligible persons thereunder, and do all such acts and execute all such documents as he/she may consider necessary, desirable or expedient to give full effect to the implementation of the 2024 Share Scheme;
 - (ii) to modify and/or amend the 2024 Share Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the 2024 Share Scheme;
 - (iii) to issue and allot from time to time such number of Shares as may be required to be issued pursuant to the vesting and/or exercise of Awards and subject to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”);
 - (iv) to make application at the appropriate time or times to the Stock Exchange for the listing of, and permission to deal in, any Shares which may thereafter from time to time be issued and allotted pursuant to the vesting and/or exercise of the Awards; and
 - (v) to consent, if he/she may deem fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the 2024 Share Scheme;
- (b) the Scheme Mandate Limit as defined in the circular of the Company dated May 21, 2024 (the “**Circular**”) (being 3.0% of the total number of Shares in issue (excluding any treasury Shares) as at the date of adoption of the 2024 Share Scheme (subject to such higher limit as may be approved by the Shareholders from time to time)) be and is hereby approved and adopted and that any director of the Company be and is hereby authorized to take all such steps and attend all such matters, approve and execute (whether under hand or under seal) such documents and do such other things, for and on behalf of the Company, as he/she may consider necessary, desirable or expedient to effect and implement the Scheme Mandate Limit; and
- (c) conditional upon the passing of ordinary resolution in paragraph (b) above, the Service Provider Sublimit as defined in the Circular (being 0.3% of the total number of Shares in issue (excluding any treasury Shares) as at the date of adoption of the 2024 Share Scheme (subject to such higher limit as may be approved by the Shareholders from time to time)) be and is hereby approved and adopted and that any director of the Company be and is hereby authorized

NOTICE OF ANNUAL GENERAL MEETING

to take all such steps and attend all such matters, approve and execute (whether under hand or under seal) such documents and do such other things, for and on behalf of the Company, as he/she may consider necessary, desirable or expedient to effect and implement the Service Provider Sublimit.”

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

“THAT:

- (a) subject to paragraph (b) below, a general and unconditional mandate be and is hereby given to the directors of the Company to exercise all the powers of the Company during the Relevant Period (as hereinafter defined) to issue, allot and deal with the shares of the Company and to make or grant offers, agreements and options which would or might require the exercise of such powers, whether during the continuance of the Relevant Period or thereafter, in accordance with all applicable laws, rules and regulations;
- (b) the aggregate number of shares issued, allotted or agreed conditionally or unconditionally to be issued, allotted or dealt with (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above during the Relevant Period, otherwise than pursuant to the following, shall not exceed 20% of the total number of issued Shares (excluding any treasury shares of the Company) as at the date of passing of this resolution and the said approval shall be limited accordingly:
 - (i) a rights issue where shares are offered for a period fixed by the directors of the Company to shareholders on the register of members on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or having regard, as appropriate, to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or stock exchange in Hong Kong, or in any territory applicable to the Company) and an offer, issue or allotment of shares by way of rights shall be constructed accordingly;
 - (ii) the exercise of options under a share option scheme;
 - (iii) the vesting of restricted shares and share awards granted or to be granted pursuant to the share award schemes of the Company;
 - (iv) any scrip dividend scheme or similar arrangement providing for the issue and allotment of shares in lieu of the whole or in part of any dividend in accordance with the articles of association of the Company; or
 - (v) any specific authority granted or to be granted by the shareholders of the Company in general meeting;

NOTICE OF ANNUAL GENERAL MEETING

- (c) for the purpose of this resolution:
- (i) **“Relevant Period”** means the period from the date of passing of this resolution until whichever is the earliest of:
 - (A) the conclusion of the next annual general meeting of the Company;
 - (B) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; or
 - (C) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting; and
 - (ii) any reference to an allotment, issue, grant, offer or disposal of shares of the Company shall include the sale or transfer of (including to satisfy any obligation upon the conversion or exercise of any convertible securities, warrants, options or similar rights to subscribe for shares in the Company) to the extent permitted by, and subject to the provisions of, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and applicable laws and regulations.”
7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

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

NOTICE OF ANNUAL GENERAL MEETING

(c) for the purpose of this resolution:

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

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

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

“**THAT:**

- (a) conditional upon the passing of resolutions 6 and 7 as set out in the notice convening this Meeting, the general mandate granted to the directors of the Company pursuant to resolution 6 to exercise the powers of the Company to issue, allot and deal with the shares of the Company be and is hereby extended by the addition thereto the aggregate number of shares of the Company to be repurchased and subsequently cancelled by the Company under the authority granted pursuant to resolution 7, provided that such number in aggregate shall not exceed 10% of the total number of issued shares of the Company (excluding any treasury shares of the Company) as at the date of passing of this resolution.
- (b) for the purpose of this Resolution, any reference to an allotment, issue, grant, offer or disposal of shares of the Company shall include the sale or transfer of treasury shares of the Company (including to satisfy any obligation upon the conversion or exercise of any convertible securities, warrants, options or similar rights to subscribe for shares in the Company) to the extent permitted by, and subject to the provisions of, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and applicable laws and regulations.”

For and on behalf of the Board

WuXi XDC Cayman Inc.

Dr. Jincai Li

Executive Director and Chief Executive Officer

Hong Kong, May 21, 2024

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (i) All resolutions at the Meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
- (ii) Any shareholder of the Company entitled to attend and vote at the Meeting is entitled to appoint another person (who must be an individual) as his proxy to attend and vote instead of him and a proxy so appointed shall have the same right as the shareholder to speak at the Meeting. A proxy need not be a shareholder of the Company. A shareholder may appoint any number of proxies to attend in his stead at the Meeting.
- (iii) In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority, must be deposited at the Company’s Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the Meeting (i.e. no later than 10:00 a.m. on Monday, June 10, 2024, Hong Kong time) or any adjournment thereof. Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the Meeting and, in such event, the form of proxy shall be deemed to be revoked.
- (iv) For determining the qualification as shareholders of the Company to attend and vote at the Meeting, the register of members of the Company will be closed from Thursday, June 6, 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 Meeting, investors are required to lodge all transfer documents accompanied by the relevant share certificates with the Company’s Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, June 5, 2024.
- (v) Detailed information of all resolutions as set out in the Notice of Annual General Meeting is included in the circular dated May 21, 2024 (the “**Circular**”), which is available on the website of the Company (www.wuxixdc.com) and the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk).
- (vi) In case of joint shareholding, the vote of the senior joint shareholder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint shareholder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the joint shareholding. Accordingly, investors who wish to have joint shareholding in the Company should bear in mind the above provision when they decide the way in which their names being provided for share registration.

As at the date of this notice, the board of directors of the Company comprises (i) Dr. Jincal LI, Mr. Jerry Jingwei ZHANG and Mr. Xiaojie XI as executive Directors; (ii) Dr. Zhisheng CHEN, Dr. Weichang ZHOU and Ms. Ming SHI as non-executive Directors; and (iii) Dr. Ulf GRAWUNDER, Mr. Stewart John HEN and Mr. Hao ZHOU as independent non-executive Directors.