
CHAIRMAN'S LETTER

Dear investors,

Thank you for your support for Innovent Biologics, Inc. (“Innovent”). As we are about to embark on a new journey, I wanted to express my gratitude for your continued interest and support.

At this special moment, I would like to share with you my fundamental beliefs when I founded Innovent and our development over the past seven years, so that you can understand why we set out on this path and what we are striving to achieve.

Before founding Innovent, I was an explorer on the long and winding path of innovation in biopharmaceuticals. From a cattle raising boy deep in the mountains of China to a college graduate in a big city; from a Ph.D. at the Chinese Academy of Sciences to a postdoctoral fellow at the University of California San Francisco (UCSF), I became one of the scientists in the forefront of the development of biopharmaceuticals in the United States.

Conquering cancer – making cancers and other serious diseases that threaten human life and health become treatable and curable – is a major challenge in the field of life sciences. Biological medicines that bring together the latest achievements in life sciences, especially antibody drugs at the vanguard of biopharmaceutical research, are getting closer to overcoming this challenge. Being part of such an exciting field, we face tremendous obstacles that often keep me awake at night but also motivate me to work harder and continue to explore.

But real life concerns have often led me to wonder: what is the ultimate purpose of scientific exploration?

Biological drugs are within easy reach for patients in developed countries such as the United States, and those who are critically ill with cancer and other diseases are treatable and curable; while the vast majority of patients in China are faced with the dire reality in which they cannot buy or cannot afford biological drugs.

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The reality is that there is a huge gap between China's biopharmaceutical industry and international industry standards. China's biopharmaceutical production capacity is less than one-fiftieth of that of the United States, and not even one-tenth of that of South Korea. Among the top ten best-selling drugs in the world, eight are biologics and five are monoclonal antibody drugs, while China's bestselling drugs are still mostly chemical drugs and traditional Chinese medicines. Imported drugs dominate China's antibody drug market, and for most Chinese patients, these life-saving drugs are often unaffordable and out of reach.

Developing high-quality biopharmaceutical products that are affordable to ordinary people will allow everyone to reap the benefits of the development of life sciences and technology on an equal footing.

Innovent is my answer to the question about the ultimate purpose of scientific exploration and my life's choice. In 2011, Innovent was established and all of us at Innovent began our journey to pursue this goal.

Businesses pursue profit but we do everything we can to offer high quality biopharmaceuticals at a reasonable price.

Therefore, from our inception, we have been committed to building a company that, on one hand, is deeply committed to product quality and global standards the way that established multinational biopharmaceutical companies are, and on the other hand, maintains the pioneering and competitive spirit that is the hallmark of successful Chinese companies.

This commitment has fueled our extraordinary development.

Our dedication to high quality standards has allowed us to focus on monoclonal antibodies, while adhering to the highest international standards for the development of innovative drugs. In the past seven years, we have established a product pipeline that includes 17 antibody drug candidates covering four major disease areas – oncology, ophthalmology, and autoimmune and cardiovascular diseases, which are in various stages of clinical development, including four drug candidates close to commercialization.

Our sincere desire to make medicine affordable to ordinary people has inspired us to build a “central kitchen” for the value chain of high-end biological drugs from discovery, to development, to commercialization, and has successfully transformed Innovent from a product company to a platform company.

The past seven years have been seven years of hard work for all of us at Innovent. We have grown from a startup company with only one office to one of the most successful unicorn enterprises in China.

In these seven years, we have continuously experienced the pride of achievement brought about by our hard work.

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Through our efforts, we hope that patients in China with cancer and other serious diseases will be able to buy more affordable, innovative, Chinese drugs with similar or better efficacy to those currently available in developed countries like the United States. The immense innovations in Chinese biopharmaceuticals are becoming a force to be reckoned with in the global biopharmaceutical industry.

In the past seven years, I have also discovered a more profound answer to my question about the ultimate purpose of scientific exploration. The ultimate purpose of scientific exploration is to enable everyone to share the best possible health benefits that are attainable as a result of scientific and technological advancement. It is to accomplish something great with one's lifelong commitment – to exert one's full strength and potential for the betterment of the health and lives of the greatest number of people. It is to work hard with passion and perseverance to contribute to this great and exciting time in history in which we fortunately live.