
HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

OVERVIEW

Our Company was incorporated as an exempted company with limited liability in the Cayman Islands on April 28, 2011 as the holding company of our businesses. Leveraging our platform, we have built up a pipeline of 17 antibody drug candidates in the last seven years, led by our four core products that are in late-stage clinical development in China, including sintilimab (IBI-308), our novel PD-1 antibody; IBI-305, our bevacizumab (Avastin) biosimilar; IBI-301, our rituximab (MabThera/Rituxan) biosimilar; and IBI-303, our adalimumab (Humira) biosimilar. For more information on our drug candidates, please refer to the section headed “Business.”

In 2015, we entered into a strategic partnership with Eli Lilly to co-develop and co-commercialize antibody drugs including sintilimab. This strategic partnership marked the first time a monoclonal antibody drug product invented by a Chinese company was licensed to a global pharmaceutical company.

Our leader, Dr. De-Chao Michael Yu, has more than twenty years of industry and managerial experience in American and Chinese biopharmaceutical companies. Dr. Yu is an entrepreneur and inventor of over 60 patents. He invented the world’s first oncolytic virus-based immunotherapeutic product, Oncorine, and also co-invented and led the development of the first domestic innovative fully human antibody-like therapeutic approved for marketing in China, Conbercept. Dr. Yu is also an expert adviser to the NMPA.

KEY MILESTONES

The following is a summary of our key business development milestones:

Year	Event
August 2011	Incorporated Innovent Suzhou, our key operating subsidiary, in Suzhou
October 2011	Raised US\$5 million in Series A financing
June 2012 – May 2013	Raised approximately US\$30 million in aggregate in Series B financing*
November 2012	Filed IND for IBI-301 (anti-CD20 mAb, rituximab biosimilar) in China
July 2013	Entered product discovery partnership with Adimab
December 2013	Filed INDs for IBI-303 (anti-TNF- α mAb, Humira biosimilar) in China
May 2014	Completed construction of a large-scale manufacturing facility and moved into the Group’s headquarters in Suzhou
September 2014	Received IND approval for IBI-301 in China
December 2014	Filed IND for IBI-305 (anti-VEGF-A mAb, Avastin biosimilar) in China
January 2015 – December 2015	Raised US\$115 million in aggregate in Series C financing*

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Year	Event
March 2015	Entered into strategic partnership with Eli Lilly
December 2015	Filed IND for sintilimab (IBI-308), our first novel biologics, and received IND approval for IBI-303, in China
May 2016	Received IND approval for IBI-305
August 2016	Received IND approval for sintilimab (IBI-308) in China
August 2016 – December 2016	Raised US\$262 million in Series D financing, which is the largest private financing in the biopharmaceutical sector in China*
December 2017	Filed IND for sintilimab (IBI-308) in the US
January 2018	Received IND approval for sintilimab (IBI-308) in the US
January 2018 – April 2018	Raised US\$150 million in Series E financing
April 2018	Filed NDA for sintilimab (IBI-308) with NMPA, which was granted with priority review status
May 2018	Received audit of both drug substance and drug product production by a global pharmaceutical company

* Includes the contribution of capital to Innovent Suzhou.

OUR COMPANY'S MAJOR SUBSIDIARIES

The principal business activities and date of establishment and commencement of business of each member of our Group that is material to our operations during the Track Record Period are shown below:

Name of subsidiary	Principal business activities	Date of incorporation and commencement of business
Innovent Suzhou	Research, development, production and sale of biopharmaceutical products and provision of related technology transfer and consultation services	August 24, 2011
Innovent Technology	Development of new antibody drugs and intermediate products, relevant technology transfer and provision of related technology consultation and services	July 8, 2013

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MAJOR SHAREHOLDING CHANGES OF OUR GROUP

Major shareholding changes of our Company

Our Company was incorporated as an exempted company with limited liability in the Cayman Islands on April 28, 2011, with an authorized share capital of US\$50,000 divided into 500,000,000 ordinary shares, each with an initial par value of US\$0.0001. Upon its incorporation on April 28, 2011, our Company issued to Close Subscribers (Cayman) Limited, an Independent Third Party, one ordinary share with an initial par value of US\$0.0001, which was subsequently transferred to Dr. De-Chao Michael Yu on the same day. On September 16, 2011, our Company made the following issuances of ordinary shares with an initial par value of US\$0.0001: 1,000,000 ordinary shares to Scott Matthew Wheelwright; 699,999 ordinary shares to Dr. Yu; 300,000 ordinary shares to Keqin Chen; 300,000 ordinary shares to Wei Li; 150,000 ordinary shares to Kent Stephen Iverson; and 100,000 ordinary shares to Donald Franklin Gerson. On September 21, 2013, our Company made the following issuances of ordinary shares with an initial par value of US\$0.0001: 33,333 ordinary shares to Scott Matthew Wheelwright; 33,333 ordinary shares to Chen Keqin; and 12,500 ordinary shares to Kevin Kai Wen Yang.

Please refer to the paragraph headed “Pre-IPO Investments” below for subsequent shareholding changes of our Company in connection with completion of the relevant Pre-IPO Investments.

Our Company is conducting corporate reorganization. For further details of our corporate reorganization, please refer to the paragraph headed “Corporate Reorganization” below.

Major shareholding changes of Innovent Suzhou

Innovent Suzhou was incorporated as a wholly foreign-owned enterprise with limited liability in the PRC on August 24, 2011, with an initial registered capital of US\$5 million that was contributed by Innovent HK representing the entirety of its equity interest. Innovent HK further contributed to Innovent Suzhou US\$10 million in installments thereby increasing its registered capital to US\$15 million and such capital contribution was fully completed on November 19, 2012.

Please refer to the paragraph headed “Corporate Reorganization” for subsequent shareholding changes of Innovent Suzhou in connection with our corporate reorganization.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

During the Track Record Period and until the Latest Practicable Date, we did not conduct any acquisitions, disposals or mergers that we consider to be material to us.

PRE-IPO INVESTMENTS

1. Overview

We underwent the following rounds of pre-IPO investments (together the “**Pre-IPO Investments**”):

- (a) **Round 1 Cayman Investment.** On September 16, 2011, our Company entered into a subscription agreement with Beacon Bioventures and Asia Ventures (together the “**Round 1 Cayman Investors**”) pursuant to which the Round 1 Cayman Investors agreed to subscribe for 4,100,000 ordinary shares with an initial par value of US\$0.0001 each at a price of US\$0.01 per share for a total consideration of US\$41,000. The allotment of the ordinary shares was completed on September 16, 2011.^(Note 1)
- (b) **Round 2 Cayman Investment.** On October 11, 2011, our Company entered into a securities purchase agreement with, among others, Beacon Bioventures and Asia Ventures (together the “**Round 2 Cayman Investors**”), pursuant to which (i) the Round 2 Cayman Investors agreed to subscribe for a total of 5 million Series A Preferred Shares at a price of US\$1.00 per share for a total consideration of US\$5 million. The allotment of the Series A Preferred Shares was completed on October 11, 2011.
- (c) **Round 3 Cayman Investment.** On June 13, 2012, our Company entered into a subscription agreement with Suzhou Industrial Park, pursuant to which Suzhou Industrial Park (the “**Round 3 Cayman Investor**”) agreed to subscribe for a total of 690,000 ordinary shares at a price of US\$0.01 per share for a consideration of US\$6,900. The allotment of the ordinary shares was completed on June 14, 2012.
- (d) **Round 4 Cayman Investment.** On June 21, 2012, our Company entered into a series B convertible preferred shares purchase agreement with, among others, Lilly Asia, Beacon Bioventures and Asia Ventures (together the “**Round 4 Cayman Investors**”), pursuant to which the Round 4 Cayman Investors agreed to subscribe for a total of 9,090,912 Series B Preferred Shares at a price of US\$2.20 per share for a total consideration of around US\$20 million. The allotment of the Series B Preferred Shares was completed on June 21, 2012.^(Note 2)
- (e) **Round 1 JV Investment.** On November 14, 2012, Innovent Suzhou entered into a capital increase agreement with, among others, CSVC (the “**Round 1 JV Investor**”) pursuant to which (i) the Round 1 JV Investor agreed to contribute to Innovent Suzhou US\$5 million, US\$1.5 million of which would be invested as the registered capital of Innovent Suzhou (with the remaining funds allocated to the capital reserve of Innovent Suzhou), thereby increasing the registered capital of Innovent Suzhou from US\$15 million to US\$16.5 million; and (ii) Innovent Suzhou would be converted from a wholly foreign-owned enterprise to a Sino-Foreign Equity Joint Venture. The capital contribution by the Round 1 JV Investor was completed on December 21, 2012.

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- (f) **Round 5 Cayman Investment.** On April 29, 2013, our Company entered into a series B convertible preferred shares purchase agreement with, among others, Life Sciences (the “**Round 5 Cayman Investor**”), pursuant to which the Round 5 Cayman Investor agreed to subscribe for a total of 909,091 Series B Preferred Shares at a price of US\$2.20 per share for a consideration of around US\$2 million.^(Note 3) The allotment of the Series B Preferred Shares was completed on May 20, 2013.
- (g) **Round 2 JV Investment.** On April 29, 2013, Innovent Suzhou entered into a capital increase agreement with Suzhou Frontline (the “**Round 2 JV Investor**”) and Innovent HK, pursuant to which (i) the Round 2 JV Investor agreed to contribute to Innovent Suzhou US\$3,000,000, US\$900,000 of which would be invested as the registered capital of Innovent Suzhou (with the remaining funds allocated to the capital reserve of Innovent Suzhou); and (ii) as a result of the capital contributions by the Round 2 JV Investor and Innovent HK, the registered capital of Innovent Suzhou increase from US\$16.5 million to US\$20,062,154. The capital contributions by the Round 2 JV Investor and Innovent HK were completed on May 28, 2013.
- (h) **Round 6 Cayman Investment.** On December 26, 2014, our Company entered into a series C convertible preferred shares purchase agreement with, among others, LC Fund, LC Parallel Fund, Cheng Yu Investments, TLS Beta, Hillhouse INOV, Cowin China, Lilly Asia, Beacon Bioventures, Asia Ventures and Life Sciences (together the “**Round 6 Cayman Investors**”), pursuant to which the Round 6 Cayman Investors agreed to subscribe for a total of 13,617,946 Series C Preferred Shares at a price of US\$7.2375 per share for a total consideration of US\$98,560,000. The allotment of the Series C Preferred Shares was completed on January 8, 2015.
- (i) **Round 3 JV Investment.** On February 2, 2015, Innovent Suzhou entered into a capital increase agreement with Suzhou Frontline (the “**Round 3 JV Investor**”) and Innovent HK pursuant to which (i) the Round 3 JV Investor agreed to contribute to Innovent Suzhou US\$1,440,000, US\$131,316 of which would be invested as the registered capital of Innovent Suzhou (with the remaining funds allocated to the capital reserve of Innovent Suzhou); and (ii) as a result of such capital contributions by Innovent HK and the Round 3 JV Investor, the registered capital of Innovent Suzhou would increase from US\$20,062,154 to US\$32,048,644. The capital contributions by Innovent HK and the Round 3 JV Investor were completed on March 2, 2015.
- (j) **Round 7 Cayman Investment.** On August 25, 2015, our Company entered into a series B convertible preferred shares purchase agreement with, among others, CBC (the “**Round 7 Cayman Investor**”), pursuant to which CBC agreed to subscribe for a total of 1,363,636 Series B Preferred Shares at a price of US\$8.96 per share for a total consideration of US\$12,221,998. The allotment of the Series B Preferred Shares was completed on September 16, 2015. The proceeds were used by Innovent HK to purchase from Suzhou Frontline its equity interests in Innovent Suzhou (representing registered capital of US\$900,000) pursuant to an equity transfer agreement dated August 25, 2015.

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- (k) **Round 8 Cayman Investment.** On December 17, 2015, our Company entered into a series C convertible preferred shares purchase agreement with, among others, Suzhou Industrial Park (the “**Round 8 Cayman Investor**”) pursuant to which Suzhou Industrial Park agreed to subscribe for a total of 2,072,539 Series C Preferred Shares at a price of US\$7.2375 per share for a total consideration of US\$15 million. The allotment of the Series C Preferred Shares was completed on December 17, 2015.
- (l) **Round 4 JV Investment.** On August 19, 2016, Innovent Suzhou entered into a capital increase agreement with Future Industry, Shenzhen Ping’an, Beijing Jun Lian and Shanghai Sa Wang (together the “**Round 4 JV Investors**”) and Innovent HK, pursuant to which (i) the Round 4 JV Investors agreed to contribute to Innovent Suzhou, US\$120 million, US\$6,491,735 of which would be invested as the registered capital of Innovent Suzhou (with the remaining funds allocated to the capital reserve of Innovent Suzhou); (ii) as a result of such capital contributions by the Round 4 JV Investors and Innovent HK, the registered capital of Innovent Suzhou would increase from US\$33,407,572 to US\$47,196,802. The capital contributions by the Round 4 JV Investors and Innovent HK were completed on October 18, 2016.
- (m) **Round 9 Cayman Investment.** On August 19, 2016, our Company entered into a series D convertible preferred shares purchase agreement with, among others, LC Healthcare, Highsino, TLS Beta, Hillhouse INOV and Cowin China (together the “**Round 9 Cayman Investors**”) pursuant to which the Round 9 Cayman Investors agreed to subscribe for a total of 5,245,845 Series D Preferred Shares at a price of US\$12.20 per share for a total consideration of US\$64 million. The allotment of the Series D Preferred Shares was completed on September 26, 2016.
- (n) **Round 5 JV Investment.** On November 30, 2016, Innovent Suzhou entered into a capital increase agreement with China Life, Taikang, Shanghai Chiyi and Jiaying Xiang’an (together the “**Round 5 JV Investors**”) and Innovent HK pursuant to which (i) the Round 5 JV Investors agreed to contribute to Innovent Suzhou US\$78 million, US\$4,219,627 of which would be invested as the registered capital of Innovent Suzhou (with the remaining funds allocated to the capital reserve of Innovent Suzhou); (ii) as a result of such capital contributions by the Round 5 JV Investors and Innovent HK, the registered capital of Innovent Suzhou would increase from US\$47,196,802 to US\$52,464,750. The capital contributions by the Round 5 JV Investors and Innovent HK were completed on January 18, 2017.
- (o) **Round 10 Cayman Investment.** On January 30, 2018, our Company entered into a series E convertible preferred shares purchase agreement (as amended and supplemented) with, among others, investment holding companies of Capital Group Private Markets (together the “**Round 10 Cayman Investors**”), pursuant to which the Round 10 Cayman Investors agreed to subscribe for a total of 6,706,409 Series E Preferred Shares at a price of US\$13.42 per share for a total consideration of US\$90 million. The allotment of the Series E Preferred Shares was completed on January 31, 2018.

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- (p) **Round 11 Cayman Investment.** On April 4, 2018, our Company entered into a series E convertible preferred shares purchase agreement with, among others, LC Healthcare, Highsino, LAV Opus, LAV Orion, LAV Agility, TLS Beta, Hillhouse INOV, Taikang AMC HK, Cormorant Private Healthcare, Cormorant Global Healthcare, CRMA, Rock Springs, CRF Investment and Ally Bridge (together the “**Round 11 Cayman Investors**”) pursuant to which the Round 11 Cayman Investors agreed to subscribe for a total of 4,470,939 Series E Preferred Shares at a price of US\$13.42 per share for a total consideration of US\$60 million. The allotment of the Series E Preferred Shares was completed on April 4, 2018.

Notes:

- (1) Beacon Bioventures changed its name to F-Prime Capital on December 30, 2015.
- (2) On July 12, 2017, Lilly Asia transferred: (a) 819,672 Series B Preferred Shares to LAV Opus for a total consideration of US\$10,000,000; (b) 409,836 Series B Preferred Shares to LAV Orion for a total consideration of US\$5,000,000; and (c) 1,639,344 Series B Preferred Shares to LAV Agility for a total consideration of US\$20,000,000.
- (3) On September 16, 2015, Life Sciences transferred 909,091 Series B Preferred Shares to CBC for a total consideration of US\$8,148,002.

2. Principal Terms of the Pre-IPO Investments

The below table summarizes the principal terms of the Pre-IPO Investments:

Round	Date settled	Funds raised by the Group	Cost per share paid ^(Note 1)	Discount to the Offer Price ^(Note 2)	Corresponding valuation of the Company
Round 1 Cayman Investment	September 16, 2011	US\$41,000.00	US\$0.01 (per ordinary share)	99.94%	US\$66,500
Round 2 Cayman Investment	October 11, 2011	US\$5,000,000.00	US\$1.00 (per Series A Preferred Share)	94.09%	US\$13,640,000
Round 3 Cayman Investment	June 14, 2012	US\$6,900.00	US\$0.01 (per ordinary share)	99.94%	Not applicable
Round 4 Cayman Investment	June 21, 2012	US\$20,000,006.40	US\$2.20 (per Series B Preferred Share)	87.00%	US\$50,000,000
Round 1 JV Investment	December 21, 2012	US\$5,000,000.00	Not applicable	Not applicable	US\$55,000,000
Round 5 Cayman Investment	May 20, 2013	US\$2,000,000.20	US\$2.20 (per Series B Preferred Share)	87.00%	US\$66,873,842
Round 2 JV Investment	May 28, 2013	US\$3,000,000.00	Not applicable	Not applicable	US\$66,873,842
Round 6 Cayman Investment	January 8, 2015	US\$98,560,000.00	US\$7.2375 (per Series C Preferred Share)	57.24%	US\$351,265,997

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Round	Date settled	Funds raised by the Group	Cost per share paid ^(Note 1)	Discount to the Offer Price ^(Note 2)	Corresponding valuation of the Company
Round 3 JV Investment	March 2, 2015	US\$1,440,000.00	Not applicable	Not applicable	US\$351,265,997
Round 7 Cayman Investment	September 16, 2015	US\$12,221,998.00	US\$8.96 (per Series B Preferred Share)	47.05%	Not applicable
Round 8 Cayman Investment	December 17, 2015	US\$15,000,000.00	US\$7.2375 (per Series C Preferred Share)	57.24%	US\$366,265,998
Round 4 JV Investment	October 18, 2016	US\$120,000,000.00	Not applicable	Not applicable	US\$872,425,611
Round 9 Cayman Investment	September 26, 2016	US\$64,000,000.00	US\$12.20 (per Series D Preferred Share)	27.92%	US\$872,425,611
Round 5 JV Investment	January 18, 2017	US\$78,000,000.00	Not applicable	Not applicable	US\$969,178,626
Round 10 Cayman Investment	January 31, 2018	US\$90,000,000.00	US\$13.42 (per Series E Preferred Share)	20.71%	US\$1,219,849,925
Round 11 Cayman Investment	April 4, 2018	US\$60,000,000.00	US\$13.42 (per Series E Preferred Share)	20.71%	US\$1,279,849,925

Notes:

- (1) Adjusted to reflect subsequent share splits and other capital reorganizations, as applicable. Cost per share paid is not applicable to the pre-IPO investments in Innovent Suzhou, which is a PRC limited liability company that does not have a share capital.
- (2) The discount to the Offer Price is calculated based on the assumption that the Offer Price is HK\$13.25 per Share, being the mid-point of the indicative Offer Price range of HK\$12.50 to HK\$14.00, on the basis that 1,118,150,710 Shares are expected to be in issue immediately upon completion of the Global Offering (including completion of the conversion of the Preferred Shares into ordinary shares to be effected prior to Listing), and assuming the Over-allotment Option is not exercised and no shares are issued pursuant to the Equity Plans. Discount to the offer price is not applicable to the pre-IPO investment in Innovent Suzhou.

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Further terms of the Pre-IPO Investments

Lock-up period Scott Matthew Wheelwright, Zheng Jia, Dr. De-Chao Michael Yu, Suzhou Industrial Park and Charles Leland Cooney (the “**Relevant Ordinary Shareholders**”) are subject to a lock-up undertaking for a period commencing on the date of this prospectus and ending on the date specified by the Company and the managing underwriter (such period being not more than 180 days) or, if required by such underwriter, such longer period of time as is necessary to enable such underwriter to issue a research report or make a public appearance that relates to an earnings release or announcement by the Company within 15 days prior to or after the date that is 180 days after the date hereof. The Pre-IPO Investors holding Preferred Shares of the Company are subject to a lock-up undertaking for a period commencing on the date of this prospectus and ending on the date specified by the Company and the managing underwriter (such period being not more than 180 days). The Relevant Ordinary Shareholders and the Pre-IPO Investors are expected to be made subject to a lock-up period of 180 days commencing on the date of this prospectus pursuant to such lock-up undertakings.

Under the current arrangements, all existing shareholders will be subject to lock-up arrangements as follows:

	Number of Shares	Ownership percentage as at the date of this prospectus	Ownership percentage immediately after completion of the Global Offering ⁽¹⁾
Pre-IPO Investors	720,683,400	81.73%	64.45%
Individuals subject to lock-up arrangements pursuant to the Pre-IPO Investments	63,083,940	7.15%	5.64%
Remaining shareholders subject to lock-up undertakings	98,033,370	11.12%	8.84%

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Note:

(1) Assuming the Over-allotment Option is not exercised and no shares are issued pursuant to the Equity Plans.

Use of proceeds from the Pre-IPO Investments	We utilized the proceeds from the Pre-IPO Investments for business expansion, product development, general working capital and other general corporate purposes.
Strategic benefits the Pre-IPO Investors brought to our Company	At the time of the Pre-IPO Investments, our Directors were of the view that our Company could benefit from the additional capital that would be provided by the Pre-IPO Investors' investments in our Company and their knowledge and experience.
Basis of determining the consideration paid	The consideration for the Pre-IPO Investments were determined based on arm's length negotiations between us and the Pre-IPO Investors after taking into consideration the timing of the investments and the status of our business and operating entities.

3. Rights of our Pre-IPO Investors

All of our Pre-IPO Investors are currently bound by the terms of the Existing Articles, which will be replaced by our Articles of Association effective upon the Listing. Pursuant to the Investors' Rights Agreement and Right of First Refusal and Co-sale Agreement, the Pre-IPO Investors were granted certain special rights in relation to our Company. Such special rights are expected to terminate upon or before the Listing in accordance with the terms of the Investors' Rights Agreement and Right of First Refusal and Co-sale Agreement.

4. Information on our Pre-IPO Investors

F-Prime Capital is a limited partnership established under the laws of Delaware (U.S.). F-Prime Capital is a venture capital fund investing in healthcare and technology in the U.S., Europe and Asia. The general partner of F-Prime Capital is F-Prime Capital Partners Healthcare Advisors Fund II LP. F-Prime Capital Partners Healthcare Advisors Fund II LP is solely managed by Impresa Management LLC, as its general partner and investment manager.

Asia Ventures is a limited partnership established under the laws of Bermuda. It is part of Eight Roads, the proprietary investment arm of FIL Limited, which mainly focuses on private investment in healthcare, enterprise technology, financial technology and consumer technology sectors.

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Suzhou Industrial Park was established in 2005 as a limited liability company under the laws of the PRC. Its scope of business includes the development and management of bio-industrial parks, management of bio-industrial park-related carriers, provision of biotech-based technology service platforms, and investments in technology projects.

Lilly Asia, Lilly Asia Ventures Fund III, L.P., LAV Biosciences Fund III, L.P. and LAV Biosciences Fund IV, L.P. are all Cayman exempted limited partnership funds managed by LAV Management Co., Ltd. and its affiliates (“**LAV**”). LAV is a leading Asia-based life science investment firm with portfolios covering all major sectors of the biomedical and healthcare industry including biopharmaceuticals, medical devices, diagnostics and healthcare services. LAV has offices in Shanghai and Hong Kong. LAV Opus Limited and LAV Orion Limited are both business limited liability companies incorporated under the laws of the British Virgin Islands and are wholly-owned by LAV Biosciences Fund III, L.P. and Lilly Asia Ventures Fund III, L.P., respectively, LAV Agility Limited is a business limited liability company incorporated under the laws of the British Virgin Islands and is wholly-owned by LAV Biosciences Fund IV, L.P..

CSVC, a company established under the laws of the PRC, has a wholly-owned subsidiary, Hua Yuan Management Consultancy (Hong Kong) (“**Hua Yuan Management**”), a company incorporated under the laws of Hong Kong. Hua Yuan Management has invested in numerous technology projects involving Gerad Technologies (Suzhou) Co., Ltd. (智瑞達科技(蘇州)有限公司), Engineering and IP Advanced Technologies Ltd., HanKore Environment Technology Group (漢科環境科技集團), and Nature Bio-medicine Trading Co., Ltd (凱瑞生化科技有限公司). Hua Yuan Management’s investment focuses on information technology, environmental protection technology, cultural sectors and the pharmaceutical industry. Hua Yuan is a wholly-owned subsidiary of CSVC.

Suzhou Frontline, incorporated under the laws of the PRC, and Life Sciences, incorporated under the laws of the Cayman Islands, are venture capital funds managed by 6 Dimensions Capital. 6 Dimensions Capital is a leading healthcare focused investment firm with an in-depth focus and extensive coverage across China and the United States. 6 Dimensions Capital currently has US\$1.6 billion assets under management through four US dollar-denominated and three RMB-denominated funds.

LC Fund, LC Parallel Fund and LC Healthcare are Cayman Islands exempted limited partnership funds managed by Legend Capital Management Co., Ltd. and its affiliates (“**Legend Capital**”). Legend Capital is a leading growth equity investor with offices in Beijing, Shanghai, Shenzhen, and Hong Kong, focusing on high-quality growth opportunities in China, such as TMT, consumer and healthcare sectors.

Cheng Yu Investments and Highsino are investment companies registered in the British Virgin Islands whose de facto controller is Mr Liu Lin, a Hong Kong individual investor.

TLS Beta Pte. Ltd. is a company incorporated in Singapore in 2005, being an indirectly wholly-owned subsidiary of Temasek Holdings (Private) Limited (“**Temasek**”). Incorporated in 1974, Temasek is a global investment company headquartered in Singapore. Supported by its

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network of international offices, Temasek owns a S\$308 billion (RMB1.48 trillion) portfolio as at 31 March 2018, with significant exposure to Singapore and the rest of Asia. Temasek's investment activities are guided by four investment themes and the long term trends they represent: Transforming Economies; Growing Middle Income Populations; Deepening Comparative Advantages; and Emerging Champions. Temasek's investment strategy allows it to capture opportunities across the sectors in which they invest that help bring about a better, smarter and more connected world. Its investments in the life sciences sector include Wuxi Apptech, Celltrion, Inc., Gilead Sciences, Inc. and Thermos Fisher Scientific Inc..

Hillhouse INOV is an investment holding company incorporated under the laws of the British Virgin Islands and is wholly-owned by Hillhouse Fund II, L.P. ("**Hillhouse Fund II**"). The sole management company of Hillhouse Fund II is Hillhouse Capital Management, Ltd, an exempted company incorporated under the laws of the Cayman Islands.

Cowin China is a US\$100 million private equity fund set up under the laws of the Cayman Islands. Cowin China screens high quality companies in China, helping its clients invest and nurturing fast growing portfolio companies ranging from Technology, Healthcare to Consumer. Its limited partners include Oversea Chinese Banking Corporation, Bank of Singapore, Jacky Xu, Cowin Asset Management (HK) Limited and its general partner is Cowin Capital Investment Limited.

CBC is a special purpose vehicle incorporated under the laws of Hong Kong whose shareholders are C-Bridge Healthcare Fund, L.P. and Palace Investments Pte. Ltd.. C-Bridge Healthcare Fund, L.P. is a Cayman Islands private equity fund managed by C-Bridge Capital Investment Management, Ltd., focusing on investments in the China healthcare sector.

Future Industry is a limited partnership established under the laws of the PRC, which established a wholly-owned special purpose vehicle, Future Industry Investment (BVI) Co., Limited, in the British Virgin Islands. The executive partner of Future Industry is SDIC Fund Management Co., Ltd. (國投創新投資管理有限公司). Its main investors include the Ministry of Finance of the PRC, National Development Investment Group Co., Ltd. (國家開發投資集團有限公司), and ICBC Credit Suisse Investment Management Co., Ltd. (工銀瑞信投資管理有限公司).

Shenzhen Ping'an and Jiaying Xiang'an are controlled by Ping An Insurance (Group) Company of China, Ltd. ("**Ping An**"). Ping An was established in Shekou, Shenzhen in 1988 and was the first insurance company in China to adopt a shareholding structure. It has been developed into a personal financial services group with three core businesses-insurance, banking and investment, enjoying unparalleled growth of its core finance and internet finance businesses. Ping An's shares are listed on the Stock Exchange with stock code 2318 and on the Shanghai Stock Exchange with stock code 601318. Pingan Inno Limited and Xiangan Inno Limited are wholly-owned subsidiaries of Shenzhen Ping'an and Jiaying Xiang'an respectively.

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Beijing Jun Lian is a limited partnership established under the laws of the PRC, which manages Easy Swift Limited, a wholly-owned special purpose vehicle incorporated under the laws of the British Virgin Islands. Beijing Jun Lian is managed by Legend Capital and its affiliates. Legend Capital is a leading growth equity investor with offices in Beijing, Shanghai, Shenzhen, and Hong Kong, focusing on high-quality growth opportunities in China, such as telecommunications, media and technology (TMT), consumer and healthcare sectors.

Shanghai Sa Wang is a private equity fund based in China (Shanghai) Pilot Free Trade Zone and is managed by Shanghai Milestone Asset Management Co., Ltd., a company with multiple types of funds such as active management funds and private investment in public equity funds and a focus on industrial investments, medical investments and investment consulting.

China Life is a private equity investment fund registered in Shanghai Free Trade Zone, China, focusing on the healthcare industry. The fund is managed by China Life Private Equity Investment Limited, a wholly-owned subsidiary of China Life Investment Holding Company Limited, which is a subsidiary of China Life Insurance (Group) Company, which focuses on alternative investment and management.

Shanghai Pengfang Health Consultation Co., Ltd. (上海芃昉健康諮詢有限公司) (“**Shanghai Pengfang**”), a limited liability company established under the laws of the PRC, is wholly-owned by Taikang. Taikang in turn is wholly-owned by Taikang Insurance Group Inc, a limited liability company established under the laws of the PRC.

Shanghai Chiyi was established as a limited partnership under the laws of the PRC on December 3, 2015. Its main business is equity investment, focusing in particular on areas including telecommunications, pharmaceuticals, and financial technology. Its general partner is Shanghai Xiheng Asset Management Co., Ltd. (上海晞恒資產管理有限公司).

Capital Group Private Markets are investment holding companies which are incorporated in the Cayman Islands with limited liability. Seacliff (Cayman) Ltd. is wholly-owned by Capital International Private Equity Fund VI, L.P. (“**CIPEF VI**”) and Dwyer (Cayman) Ltd. is wholly-owned by CGPE VI, L.P. (“**CGPE VI**”). CIPEF VI is a US\$3 billion global emerging markets private equity fund which is managed by Capital International, Inc., a subsidiary of The Capital Group Companies (“**Capital Group**”), a leading global investment management organization with over 85 years of experience. CGPE VI is an employee vehicle of Capital Group that co-invests alongside CIPEF VI.

Taikang AMC HK is a company incorporated under the laws of Hong Kong. It is a wholly-owned subsidiary of Taikang Asset Management Company Limited (“**Taikang AMC**”). Taikang AMC is the wholly owned subsidiary of Taikang Insurance Group. Taikang AMC HK is partially responsible for Taikang AMC’s overseas investment management businesses and forms an important international asset allocation channel for Taikang assets and serving overseas customers. Taikang AMC HK is licensed by the SFC for Type 1 (Dealing in Securities), Type 4 (Advising on Securities) and Type 9 (Asset Management) regulated activities and has obtained the QFII and RQFII qualifications.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Cormorant Private Healthcare, a limited partnership incorporated under the laws of Delaware, is a pooled investment vehicle organized as a private equity fund. Cormorant Global Healthcare and CRMA are exempt limited partnerships incorporated under the laws of Cayman Islands as pooled investment vehicles organized as a hedge fund and a special purpose vehicle, respectively. All three entities are managed by Cormorant Asset Management, LP, an investment adviser registered with the U.S. Securities and Exchange Commission, focusing on investments in publicly traded, crossover round, and early stage companies in the biotech, healthcare, and life science research industries.

Rock Springs, a Cayman Islands exempted limited partnership, is the direct holder and beneficial owner of interests in the Company. Rock Springs pursues an investment strategy focusing primarily on investing in companies in healthcare and healthcare-related industries.

CRF Investment is an exempted company incorporated in the Cayman Islands and is wholly-owned by China Reform Conson Soochow Overseas Fund I L.P., which is a China-related overseas investment firm specializing in industrials, TMT and healthcare sectors. China Reform Conson Soochow Overseas Fund I L.P. is mainly sponsored by China Reform Holdings Corporation Ltd (“CRHC”) (through China Reform Investment Fund I L.P.), Qingdao Conson Development (Group) Co., Ltd. (through its wholly-owned subsidiary) and Soochow Securities Co., Ltd. (through its wholly-owned subsidiary). CRHC is a wholly state-owned investment company. Qingdao Conson Development (Group) Co., Ltd. is an investment company directly under the State-owned Assets Supervision and Administration Commission of the State Council of Qingdao City. Soochow Securities Co., Ltd. is a full-service brokerage firm listed on the Shanghai Stock Exchange with stock code 601555.

Ally Bridge is a special purpose vehicle registered with the British Virgin Islands, specializing in investing in high quality R&D driven healthcare companies in Greater China area. The entity is managed and controlled by Shanghai Kuokun Asset Management Limited, an affiliate of Ally Bridge.

5. Public Float

Upon completion of the Global Offering (assuming the Over-allotment Option is not exercised and no shares are issued pursuant to the Equity Plans), none of the Pre-IPO Investors will hold 10% or more of the issued Shares of our Company. As a result, the Shares held by the Pre-IPO Investors, an aggregate of 720,683,400 Shares, will count towards the public float.

6. Compliance with Interim Guidance

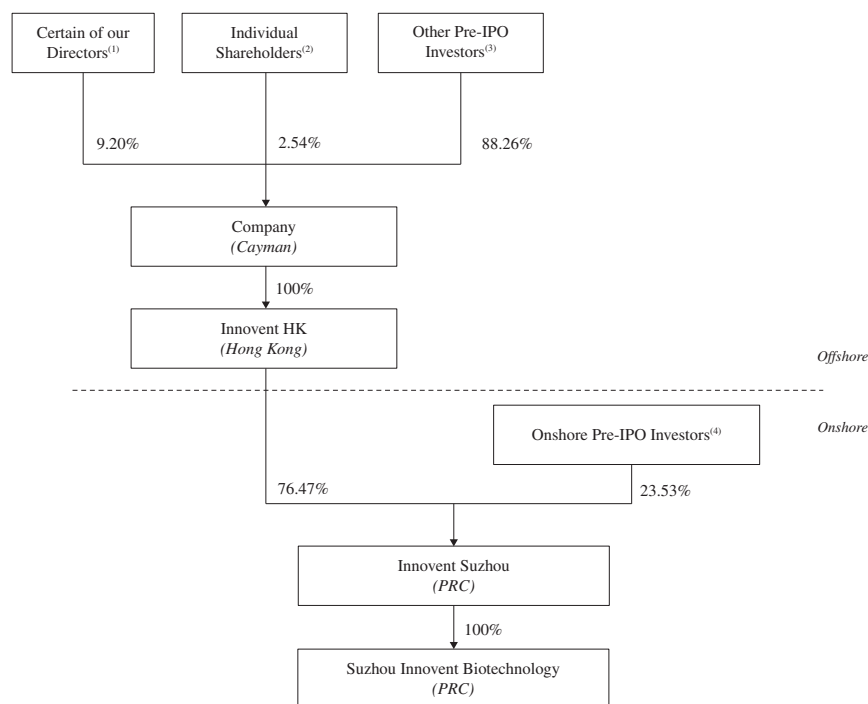
On the basis that (i) the consideration for the Pre-IPO Investments was settled more than 28 clear days before the date of our first submission of the listing application form, to the Listing Division of the Stock Exchange in relation to the Listing and (ii) the special rights granted to the Pre-IPO Investors will terminate upon or before the Listing, the Joint Sponsors have confirmed that the investments of the Pre-IPO Investors are in compliance with the Interim Guidance on Pre-IPO Investments issued by the Stock Exchange on October 13, 2010

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

and as updated in March 2017, the Guidance Letter HKEx-GL43-12 issued by the Stock Exchange in October 2012 and as updated in July 2013 and March 2017 and the Guidance Letter HKEx-GL44-12 issued by the Stock Exchange in October 2012 and as updated in March 2017. Based on the documents provided by the Company relating to the Pre-IPO Investments, the Joint Sponsors confirm that they are not aware of any divestment rights which do not comply with the Guidance Letter HKEx-GL 43-12 under the terms of the Pre-IPO Investments.

CORPORATE REORGANIZATION

In preparation for the Global Offering and in order to streamline our corporate structure, we have effected the following reorganization (the “**Reorganization**”), described below. The following chart depicts our shareholding structure prior to the Reorganization:



Notes:

1. The Directors with interests in the Company are Dr. De-Chao Michael Yu (9.20%) and Dr. Charles Leland Cooney (0.00%).
2. These individual shareholders are Scott Matthew Wheelwright (0.61%), Chen Keqin (0.41%), Kent Stephen Iverson (0.25%), Donald Franklin Gerson (0.17%), Kevin Kai Wen Yang (0.02%), Wei Li (0.33%), Kwan Chat Ming (0.14%) and Zheng Jia (0.61%). All of these individual shareholders are Independent Third Parties and independent from each other.
3. These refer to all Pre-IPO Investors excluding Onshore Pre-IPO Investors (as defined below).
4. These are the Onshore Pre-IPO Investors (as defined below).

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

We underwent the following steps in effecting the Reorganization:

1. The Suzhou Equity Transfer and Cayman Share Subscription

On April 10, 2018, Innovent Suzhou, our Company, and Innovent HK entered into a framework agreement (the “**Framework Agreement**”) with CSVG, Suzhou Frontline, Future Industry, Shenzhen Ping’an, Beijing Jun Lian, Shanghai Sa Wang, China Life, Taikang, Shanghai Chiyi and Jiaxing Xiang’an (together, the “**Onshore Pre-IPO Investors**”) to reorganize our corporate structure in preparation for the Global Offering, pursuant to which: (i) the Onshore Pre-IPO Investors would jointly submit an application for the PRC governmental approvals with respect to their subscription of shares in our Company (the “**ODI Approvals**”); (ii) the Onshore Pre-IPO Investors (excluding CSVG) (the “**Mainstream Onshore Pre-IPO Investors**”) agreed to transfer to Innovent HK all of their equity interests in Innovent Suzhou for a total consideration of US\$199,440,000 (the “**Suzhou Equity Transfer**”); (iii) CSVG agreed to have its equity interests in the Group restructured in the manner illustrated in paragraph 2 below; and (iv) each Mainstream Onshore Pre-IPO Investor agreed to, after obtaining ODI Approvals, either by itself or through its wholly-owned outbound investment vehicle, subscribe for certain preferred shares of our Company at the price set forth in the table below (the “**Cayman Share Subscription**”):

	Mainstream Onshore Pre-IPO Investors	Number of shares	Share subscription consideration (US\$)
1	Future Industry (through Future Industry Investment (BVI) Co., Limited)	4,508,148 Series D Preferred Shares	55,000,000
2	China Life	4,508,148 Series D Preferred Shares	55,000,000
3	Shanghai Sa Wang	2,458,990 Series D Preferred Shares	30,000,000
4	Shenzhen Ping’an (through Pingan Inno Limited)	1,639,327 Series D Preferred Shares	20,000,000
5	Beijing Jun Lian (through Easy Swift Limited)	1,229,495 Series D Preferred Shares	15,000,000
6	Taikang (through Shanghai Pengfang Health Consultation Co., Ltd.)	1,229,495 Series D Preferred Shares	15,000,000
7	Shanghai Chiyi	614,747 Series D Preferred Shares	7,500,000
8	Suzhou Frontline	198,963 Series C Preferred Shares	1,440,000
9	Jiaxing Xiang’an (through Xiangan Inno Limited)	40,983 Series D Preferred Shares	500,000
	Total	16,428,296	199,440,000

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

On April 10, 2018, our Company further entered into: (a) an equity transfer agreement with each of the Mainstream Onshore Pre-IPO Investors, pursuant to which each of the Mainstream Onshore Pre-IPO Investors agreed to effect the Suzhou Equity Transfer; and (b) a convertible preferred share purchase agreement with each of the Mainstream Onshore Pre-IPO Investors pursuant to which each of the Mainstream Onshore Pre-IPO Investors agreed, after obtaining the ODI Approvals, to effect the Cayman Share Subscription.

On June 1, 2018, the Suzhou Equity Transfer came into effect and closing of the Cayman Share Subscription took place. As a post-closing arrangement after the Suzhou Equity Transfer and the Cayman Share Subscription, Innovent HK has paid the equity transfer price in relation to the Suzhou Equity Transfer to the Mainstream Onshore Pre-IPO Investors respectively, and the Mainstream Onshore Pre-IPO Investors have settled with the Company the payment of the subscription price of the relevant preferred shares in the Cayman Share Subscription.

2. The CSVC and Hua Yuan SPV Equity Transfers

Pursuant to the Framework Agreement, Innovent Suzhou, our Company, Innovent HK and CSVC agreed: (i) CSVC would cause Hua Yuan to establish a special purpose vehicle (the “**Hua Yuan SPV**”) and transfer all its equity interest in Innovent Suzhou to the Hua Yuan SPV (the “**CSVc Equity Transfer**”) for a consideration of US\$27,872,000 (the “**CSVc Equity Transfer Price**”) after CSVC obtained the ODI Approvals; (ii) Innovent HK would extend a bridge loan to Hua Yuan (the “**Hua Yuan Bridge Loan**”) in the same principal amount as the CSVc Equity Transfer Price, the proceeds of which would be injected to the Hua Yuan SPV as capital subscription (the “**SPV Capital Subscription**”) for its payment of the CSVc Equity Transfer Price, and the Hua Yuan SPV would pledge all its equity interests in Innovent Suzhou to Innovent HK as security for the Hua Yuan Bridge Loan (the “**Equity Pledge**”); (iii) after the SPV Capital Subscription, Hua Yuan would transfer to Innovent HK all shares of the Hua Yuan SPV (the “**Hua Yuan SPV Share Transfer**”) at the transfer price equivalent to the Hua Yuan Bridge Loan (the “**Hua Yuan SPV Share Transfer Price**”), such that the Hua Yuan SPV would become a wholly owned subsidiary of Innovent HK; (iv) Innovent HK would offset the Hua Yuan SPV Share Transfer Price against the Hua Yuan Bridge Loan and the Equity Pledge would be released concurrently; and (v) concurrently upon the Hua Yuan SPV Share Transfer, Hua Yuan would subscribe for 2,272,727 Series B Preferred Shares for a consideration equivalent to the Hua Yuan Bridge Loan.

The CSVc Equity Transfer was completed on May 18, 2018 and as a post-closing arrangement, the Hua Yuan SPV, Oriza Xinda International Limited (“**Oriza Xinda**”) will pay the CSVc Equity Transfer Price to CSVc. The Hua Yuan SPV Share Transfer and the issuance of the 2,272,727 Series B Preferred Shares to Oriza Xinda by the Company was completed on June 1, 2018 and as part of the post-closing arrangements, Oriza Xinda has paid the CSVc Equity Transfer Price to CSVc and CSVc has settled through Hua Yuan with the Company the subscription price of the 2,272,727 Series B Preferred Shares.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

PRE-IPO SHARE INCENTIVE PLAN

On May 10, 2012, our Company adopted the Pre-IPO Share Incentive Plan in order to attract, motivate, retain and reward certain officers, employees, directors, and other eligible persons. The principal terms of the Pre-IPO Share Incentive Plan are set out in the section headed “Statutory and General Information – Equity Plans – Pre-IPO Share Incentive Plan”.

On May 1, 2018, our Company issued 9,010,004 ordinary shares to Great Biono Fortune LP pursuant to an exercise of options granted under the Pre-IPO Share Incentive Plan. As of the Latest Practicable Date, 46,570,000 Shares remained outstanding pursuant to options granted under the Pre-IPO Share Incentive Plan. No further options will be granted after Listing.

SHARE SUBDIVISION

On June 12, 2018, our Shareholders resolved that, with immediate effect, each of the Company’s unissued and issued 500,000,000 shares of a par value of US\$0.0001 be subdivided into 10 Shares of US\$0.00001 par value each so that the authorized share capital of the Company shall be US\$50,000 divided into (i) 4,328,216,600 Shares, (ii) 50,000,000 Series A Preferred Shares of a par value of US\$0.00001 each, (iii) 136,363,660 Series B Preferred Shares of a par value of US\$0.00001 each, (iv) 158,894,480 Series C Preferred Shares of a par value of US\$0.00001 each, (v) 214,751,780 Series D Preferred Shares of a par value of US\$0.00001 each and (vi) 111,773,480 Series E Preferred Shares of a par value of US\$0.00001 each (the “Share Subdivision”).

The following table sets out our shareholding structure after completion of the Pre-IPO Investments, the Reorganization and the Share Subdivision and immediately after completion of the Global Offering:

Shareholders	Ordinary shares with a par value of US\$0.00001 each	Series A Preferred Shares	Series B Preferred Shares	Series C Preferred Shares	Series D Preferred Shares	Series E Preferred Shares	Total shares owned as at the date of this prospectus	Ownership percentage as at the date of this prospectus ⁽¹⁾	Ownership percentage immediately after completion of the Global Offering ⁽¹⁾
Directors									
De-Chao Michael Yu	45,628,190	-	-	-	-	-	45,628,190	5.17%	4.08%
Gloria Bingqinzi Yu as trustee of the Yu Tong Family Irrevocable Trust	10,000,000	-	-	-	-	-	10,000,000	1.13%	0.89%
Charles Leland Cooney	39,090	-	-	-	-	-	39,090	0.00%	0.00%
Individual Shareholders									
Scott Matthew Wheelwright	3,708,330	-	-	-	-	-	3,708,330	0.42%	0.33%
Chen Keqin	2,458,330	-	-	-	-	-	2,458,330	0.28%	0.22%
Kent Stephen Iverson	1,500,000	-	-	-	-	-	1,500,000	0.17%	0.13%
Donald Franklin Gerson	1,000,000	-	-	-	-	-	1,000,000	0.11%	0.09%
Kevin Kai Wen Yang	125,000	-	-	-	-	-	125,000	0.01%	0.01%
Wei Li	2,000,000	-	-	-	-	-	2,000,000	0.23%	0.18%
Kwan Chat Ming	850,000	-	-	-	-	-	850,000	0.10%	0.08%
Zheng Jia	3,708,330	-	-	-	-	-	3,708,330	0.42%	0.33%

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Shareholders	Ordinary shares with a par value of US\$0.00001 each	Series A Preferred Shares	Series B Preferred Shares	Series C Preferred Shares	Series D Preferred Shares	Series E Preferred Shares	Total shares owned as at the date of this prospectus	Ownership percentage as at the date of this prospectus ⁽¹⁾	Ownership percentage immediately after completion of the Global Offering ⁽¹⁾
Other Pre-IPO Investors									
Asia Ventures	21,000,000	25,000,000	22,727,280	9,395,500	-	-	78,122,780	8.86%	6.99%
F-Prime Capital	21,000,000	25,000,000	22,727,280	9,395,500	-	-	78,122,780	8.86%	6.99%
Suzhou Industrial Park	6,900,000	-	-	20,725,390	-	-	27,625,390	3.13%	2.47%
Lilly Asia	-	-	16,766,040	12,435,220	-	-	29,201,260	3.31%	2.61%
CBC	-	-	22,727,270	-	-	-	22,727,270	2.58%	2.03%
LAV Opus	-	-	8,196,720	-	-	1,496,650	9,693,370	1.10%	0.87%
LAV Orion	-	-	4,098,360	-	-	748,320	4,846,680	0.55%	0.43%
LAV Agility	-	-	16,393,440	-	-	2,993,290	19,386,730	2.20%	1.73%
LC Fund	-	-	-	33,086,050	-	-	33,086,050	3.75%	2.96%
LC Parallel Fund	-	-	-	1,456,230	-	-	1,456,230	0.17%	0.13%
Cheng Yu Investments	-	-	-	1,381,690	-	-	1,381,690	0.16%	0.12%
TLS Beta	-	-	-	34,542,270	24,589,900	5,350,680	64,482,850	7.31%	5.77%
Hillhouse INOV	-	-	-	27,633,820	12,294,950	3,613,030	43,541,800	4.94%	3.89%
Cowin China	-	-	-	5,526,760	2,458,990	-	7,985,750	0.91%	0.71%
Life Sciences	-	-	-	1,326,420	-	-	1,326,420	0.15%	0.12%
LC Healthcare	-	-	-	-	12,294,950	5,350,680	17,645,630	2.00%	1.58%
Highsino	-	-	-	-	819,660	199,190	1,018,850	0.12%	0.09%
Seacliff (Cayman) Ltd	-	-	-	-	-	65,769,750	65,769,750	7.46%	5.88%
Dwyer (Cayman) Ltd	-	-	-	-	-	1,294,340	1,294,340	0.15%	0.12%
Taikang AMC HK	-	-	-	-	-	1,112,530	1,112,530	0.13%	0.10%
Cormorant Private Healthcare	-	-	-	-	-	2,730,630	2,730,630	0.31%	0.24%
Cormorant Global Healthcare	-	-	-	-	-	862,890	862,890	0.10%	0.08%
CRMA	-	-	-	-	-	132,270	132,270	0.01%	0.01%
Rock Springs	-	-	-	-	-	2,235,470	2,235,470	0.25%	0.20%
CRF Investment	-	-	-	-	-	14,903,130	14,903,130	1.69%	1.33%
Ally Bridge	-	-	-	-	-	2,980,630	2,980,630	0.34%	0.27%
Great Biono Fortune LP	90,100,040	-	-	-	-	-	90,100,040	10.22%	8.06%
Onshore Pre-IPO Investors									
Future Industry Investment (BVI) Co., Ltd.	-	-	-	-	45,081,480	-	45,081,480	5.11%	4.03%
Shanghai Sa Wang	-	-	-	-	24,589,900	-	24,589,900	2.79%	2.20%
Pingan Inno Limited	-	-	-	-	16,393,270	-	16,393,270	1.86%	1.47%
China Life	-	-	-	-	45,081,480	-	45,081,480	5.11%	4.03%
Easy Swift Limited	-	-	-	-	12,294,950	-	12,294,950	1.39%	1.10%
Shanghai Pengfang Health Consultation Co., Ltd.	-	-	-	-	12,294,950	-	12,294,950	1.39%	1.10%
Shanghai Chiyi	-	-	-	-	6,147,470	-	6,147,470	0.70%	0.55%
Suzhou Frontline	-	-	-	1,989,630	-	-	1,989,630	0.23%	0.18%
Xiangan Inno Limited	-	-	-	-	409,830	-	409,830	0.05%	0.04%
Hua Yuan	-	-	22,727,270	-	-	-	22,727,270	2.58%	2.03%
Cornerstone investment by existing shareholders or their affiliates⁽¹⁾	-	-	-	-	-	-	-	-	4.76%
Other public shareholders	-	-	-	-	-	-	-	-	16.38%
Total	210,017,310	50,000,000	136,363,660	158,894,480	214,751,780	111,773,480	881,800,710	100.00%	100.00%

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Note:

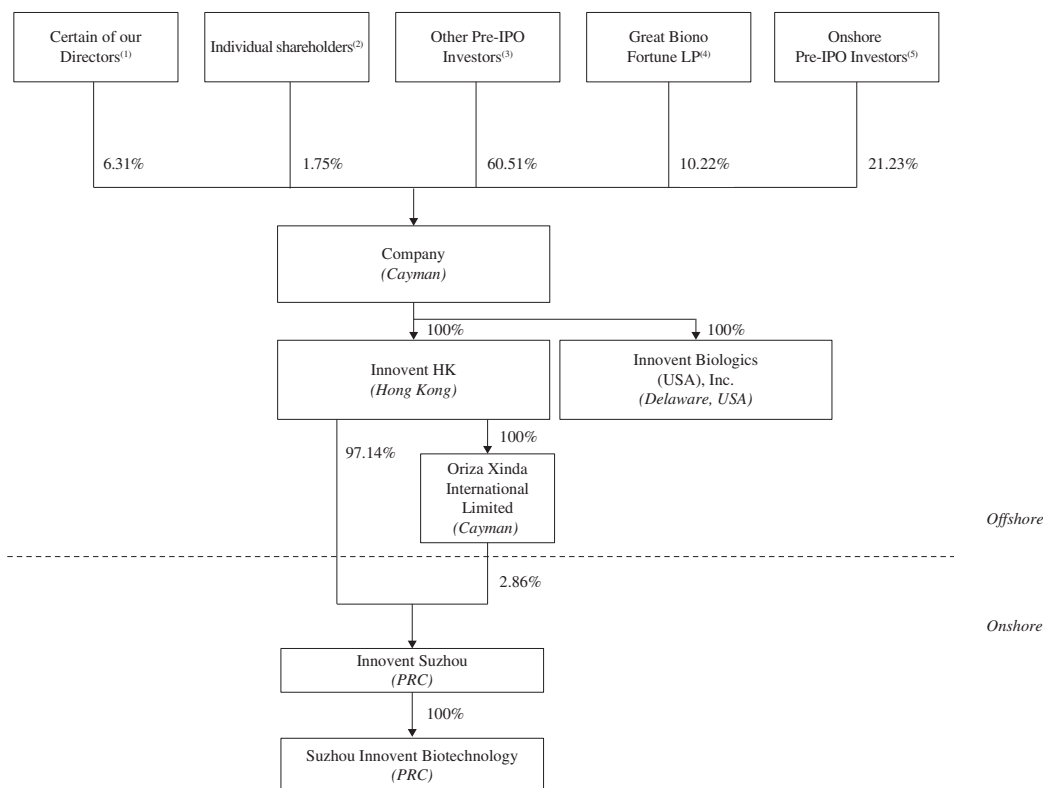
Assuming full conversion of the preferred shares (after the share subdivision) on a 1:1 basis and that the Over-allotment Option is not exercised and no shares are issued pursuant to the Equity Plans.

- (1) These interests (calculated on the basis of the mid-point of the indicative Offer Price range set out in this prospectus) are held by certain of our existing shareholders or their affiliates, namely Seaclyff (Cayman) Ltd., Dwyer (Cayman) Ltd., Cormorant Asset Management, LP, LAV Biosciences Fund IV, L.P., Rock Springs Capital Master Fund LP and Elbrus Investments Pte. Ltd., which have entered into cornerstone investment agreements to subscribe for the Company's shares. For more details, please see the section headed "Cornerstone Investors" in this prospectus.

Immediately prior to the Listing, all preferred shares (after the share subdivision) would be converted to ordinary shares of US\$0.00001 on a 1:1 basis.

OUR STRUCTURE IMMEDIATELY PRIOR TO THE GLOBAL OFFERING

The following chart depicts our shareholding structure immediately prior to the completion of the Global Offering:



Notes:

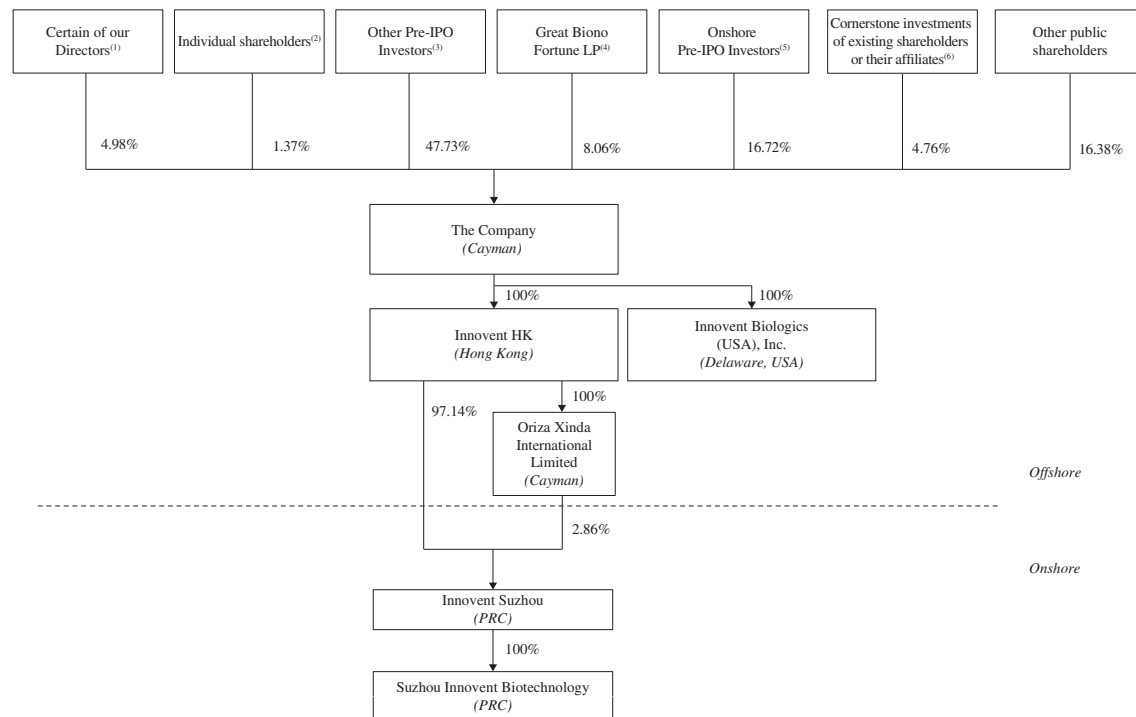
- The Directors with interests in the Company are Dr. De-Chao Michael Yu (6.31%) and Dr. Charles Leland Cooney who holds 39,090 Shares. Dr. Yu's interests include 10,000,000 Shares held by Gloria Bingqinzi Yu as trustee of the Yu Tong Family Irrevocable Trust, of which Dr. Yu and his spouse are the grantors. Dr. Yu is deemed to be interested in these Shares under the SFO.
- These individual shareholders are Scott Matthew Wheelwright (0.42%), Chen Keqin (0.28%), Kent Stephen Iverson (0.17%), Donald Franklin Gerson (0.11%), Kevin Kai Wen Yang (0.01%), Wei Li (0.23%), Kwan Chat Ming (0.10%) and Zheng Jia (0.42%). All of these individual shareholders are Independent Third Parties and independent from each other.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

3. These refer to all Pre-IPO Investors excluding Onshore Pre-IPO Investors (as defined in the paragraph headed “– Corporate Reorganization”).
4. Of the 90,100,040 Shares held by Great Biono Fortune LP, Dr. De-Chao Michael Yu is beneficially interested in 59,511,000 Shares and Mr. Ronald Hao Xi Ede is beneficially interested in 9,539,040 Shares, in their capacity as limited partners of Great Biono Fortune LP. The beneficial interest in the remaining 21,050,000 Shares held by Great Biono Fortune LP is held by 10 individual employees of the Company in their capacity as limited partners, including Dr. Qinwei Zhou, our Chief Operation Officer, who is beneficially interested in 5,000,000 of these remaining Shares.
5. These are the Onshore Pre-IPO Investors (as defined in the paragraph headed “– Corporate Reorganization”).

OUR STRUCTURE IMMEDIATELY FOLLOWING THE GLOBAL OFFERING

The following chart depicts our shareholding structure immediately following the completion of the Global Offering, assuming that all of the Preferred Shares have been converted to ordinary shares on a 1:1 basis and the Over-allotment Option is not exercised and no shares are issued pursuant to the Equity Plans:



Notes:

1. The Directors with interests in the Company are Dr. De-Chao Michael Yu (4.98%) and Dr. Charles Leland Cooney who holds 39,090 Shares. Dr. Yu’s aggregate shareholding in the Company is 145,728,230 Shares (13.03%), including 45,628,190 (4.08%) directly held Shares, 10,000,000 Shares (0.89%) held by Gloria Bingqinzi Yu as trustee of the Yu Tong Family Irrevocable Trust, of which Dr. Yu and his spouse are the grantors, and 90,100,040 (8.06% Shares held by Great Biono Fortune LP, the general partner of which is wholly-owned by Dr. Yu (please refer to Note 3 below for more information on Great Biono Fortune LP). Dr. Yu is a substantial shareholder of the Company for the purposes of the Listing Rules. For more details regarding Dr. Yu’s interests, please refer to the section headed “Substantial Shareholders” in this prospectus.
2. These individual shareholders are Scott Matthew Wheelwright (0.33%), Chen Keqin (0.22%), Kent Stephen Iverson (0.13%), Donald Franklin Gerson (0.09%), Kevin Kai Wen Yang (0.01%), Wei Li (0.18%), Kwan Chat Ming (0.08%), and Zheng Jia (0.33%). All of these individual shareholders are Independent Third Parties and independent from each other.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

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5. These are the Onshore Pre-IPO Investors (as defined in the paragraph headed “– Corporate Reorganization”).
6. These interests (calculated on the basis of the mid-point of the indicative Offer Price range set out in this prospectus) are held by certain of our existing shareholders or their affiliates, namely Seacliff (Cayman) Ltd., Dwyer (Cayman) Ltd., Cormorant Asset Management, LP, LAV Biosciences Fund IV, L.P., Rock Springs Capital Master Fund LP and Elbrus Investments Pte. Ltd., which have entered into cornerstone investment agreements to subscribe for the Company’s shares. For more details, please see the section headed “Cornerstone Investors” in this prospectus.

PRC LEGAL COMPLIANCE

M&A Rules

According to the Regulations on Merger with and Acquisition of Domestic Enterprises by Foreign Investors (《關於國外投資者併購境內企業的規定》) (the “M&A Rules”) jointly issued by the MOFCOM, the State-owned Assets Supervision and Administration Commission of the State Council, the SAT, the CSRC, SAIC and the SAFE on August 8, 2006, effective as of September 8, 2006 and amended on June 22, 2009, a foreign investor is required to obtain necessary approvals when it (i) acquires the equity of a domestic enterprise so as to convert the domestic enterprise into a foreign-invested enterprise; (ii) subscribes the increased capital of a domestic enterprise so as to convert the domestic enterprise into a foreign-invested enterprise; (iii) establishes a foreign-invested enterprise through which it purchases the assets of a domestic enterprise and operates these assets; or (iv) purchases the assets of a domestic enterprise, and then invests such assets to establish a foreign invested enterprise. The M&A Rules, among other things, further purport to require that an offshore special vehicle, or a special purpose vehicle, formed for listing purposes and controlled directly or indirectly by PRC companies or individuals, shall obtain the approval of the CSRC prior to the listing and trading of such special purpose vehicle’s securities on an overseas stock exchange, especially in the event that the special purpose vehicle acquires shares of or equity interests in the PRC companies in exchange for the shares of offshore companies.

Our PRC Legal Adviser is of the opinion that prior CSRC approval for this offering is not required because (i) Innovent Suzhou was incorporated as a foreign-invested enterprise without involving acquisition of the equity or assets of a “PRC domestic company”, as such term is defined under the M&A Rules, and (ii) Innovent Technology was incorporated as Innovent Suzhou’s wholly-owned subsidiary without involving acquisition of the equity or assets of a “PRC domestic Company”, as such term is defined under the M&A Rules.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Circular 37

In 2014, the State Administration of Foreign Exchange, or SAFE, promulgated the Circular on Relevant Issues Concerning Foreign Exchange Control on Domestic Residents' Offshore Investment and Financing and Roundtrip Investment through Special Purpose Vehicles, or SAFE Circular 37. SAFE Circular 37 requires PRC residents to register with local branches of SAFE or competent banks designated by SAFE in connection with their direct establishment or indirect control of an offshore entity, for the purpose of overseas investment and financing, with such PRC residents' legally owned assets or equity interests in domestic enterprises or offshore assets or interests, referred to in SAFE Circular 37 as a "special purpose vehicle." The term "PRC residents" under SAFE Circular 37 is defined as the PRC citizens holding PRC ID or non-PRC citizens habitually residing in China due to economic interests.

The term "control" under SAFE Circular 37 is broadly defined as the operation rights, beneficiary rights or decision-making rights acquired by the PRC residents in the offshore special purpose vehicles or PRC companies by such means as acquisition, trust, proxy, voting rights, repurchase, convertible bonds or other arrangements. SAFE Circular 37 further requires amendment to the registration in the event of any changes with respect to the basic information of or any significant changes with respect to the special purpose vehicle. If the shareholders of the offshore holding company who are PRC residents do not complete their registration with the local SAFE branches, the PRC subsidiaries may be prohibited from distributing their profits and proceeds from any reduction in capital, share transfer or liquidation to the offshore company, and the offshore company may be restricted in its ability to contribute additional capital to its PRC subsidiaries. Moreover, failure to comply with SAFE registration and amendment requirements described above could result in liability under PRC law for evasion of applicable foreign exchange restrictions.

Our PRC legal adviser further advises that there still remains uncertainty as to interpretation and implementation of SAFE Circular 37 and relevant implementation rules at practice level. Based on an interview performed by us and our PRC legal adviser with the competent branch of SAFE, our PRC legal adviser is of the view that, Dr. De-Chao Michael Yu, Ph. D. and other individual shareholders of the Company as of the Latest Practicable Date are not required to conduct registration pursuant to the requirements of SAFE Circular 37 and relevant implementation rules.