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Innovent

信達生物製藥

INNOVENT BIOLOGICS, INC.

(Incorporated in the Cayman Islands with Limited Liability)

(Stock Code: 1801)

GRANT OF SHARE OPTIONS AND RESTRICTED SHARES

GRANT OF SHARE OPTIONS

This announcement is made pursuant to Rule 17.06A of the Listing Rules. The Board of the Company announces that on December 3, 2020, the Company granted 7,174,638 Options to 151 Grantees in accordance with the terms of the Post-IPO ESOP (the “**Option Grants**”), subject to acceptance by the Grantees.

Details of the Option Grants

The details of the Options granted to the Grantees are as follows:

Grant Date:	December 3, 2020
Number of Grantees:	151
Total number of new Shares to be subscribed upon full exercise of the Options granted:	7,174,638
Consideration for the Option Grants:	HK\$1.00 to be paid by each Grantee upon acceptance of the Options granted
Exercise price of the Options granted:	HK\$53.90 per Share
Validity period of the Options:	The validity period of the Options shall be ten years from the Grant Date and the Options shall lapse at the expiry of the validity period.
Vesting period:	The Options granted to the Grantees shall vest in the Grantees as follows: <ul style="list-style-type: none">• 75% shall vest on December 3, 2023; and• 25% shall vest on December 3, 2024.

The Option Grants are subject to individual performance result requirement as set out in the grant letter entered into between the Company and each Grantee.

Exercise Price

The exercise price of the Options of HK\$53.90 per Share represents the highest of (i) the closing price of the Shares of HK\$53.90 per Share as stated in the daily quotation sheet issued by the Stock Exchange on the Grant Date, (ii) the average closing price of the Shares of HK\$52.06 per Share as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the Grant Date, and (iii) the nominal value of each Share, which is US\$0.00001.

None of the Option Grants will be subject to approval by the Shareholders, and none of the Grantees is a Director, chief executive or substantial shareholder of the Company or an associate (as defined in the Listing Rules) of any of them.

Reasons for and benefit of the Option Grants

The purposes of the Option Grants are to (i) retain, incentivize and reward the employees of the Company and (ii) encourage employees to work towards enhancing the value of the Company and its Shares.

GRANT OF RESTRICTED SHARES

On December 3, 2020, the Company granted up to a total of 6,474,864 Restricted Shares to 151 Grantees in accordance with the terms of the 2020 RS Plan (the “**RS Grants**”), subject to acceptance by the Grantees and the satisfaction of performance targets.

None of the RS Grants will be subject to approval by the Shareholders, and none of the Grantees is a Director, chief executive or substantial shareholder of the Company or an associate (as defined in the Listing Rules) of any of them.

In accordance with the terms of the 2020 RS Plan, the Restricted Shares are granted to the Grantees under the following terms:

- each of the Restricted Shares is granted for nil consideration;
- each of the Restricted Shares to be granted to the Grantees represents the right to receive one Share on the date it vests;
- the Restricted Shares granted shall vest in the Grantees within four years from the Grant Date; and
- the number of Restricted Shares to vest on such date is subject to individual performance result requirement as set out in the grant letter entered into between the Company and each Grantee.

Market Value

Based on the closing price of HK\$53.90 per Share as stated in the daily quotation sheet issued by the Stock Exchange on the Grant Date, the market value of the Restricted Shares granted to the Grantees amounts to approximately HK\$349 million.

Reasons for and benefits of the RS Grants

The purposes of the RS Grants are to (i) encourage and enable the employees of the Group to share the success of the Company and (ii) assure a closer identification of their interests with those of the Group, thereby stimulating their efforts on the Group's behalf and strengthening their desire to remain with the Group.

DEFINITIONS

“Board”	the board of Directors
“Company”	Innovent Biologics, Inc. 信达生物製藥, an exempted company with limited liability incorporated under the laws of the Cayman Islands on April 28, 2011
“Directors”	the directors of the Company
“Grant Date”	December 3, 2020
“Grantees”	the employees of the Group who were granted Options and/or Restricted Shares in accordance with the Post-IPO ESOP and/or the 2020 RS Plan respectively on the Grant Date
“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
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Option(s)”	option(s) to subscribe for or acquire Shares which is/are granted under the Post-IPO ESOP
“Option Grants”	the grant of an aggregate of 7,174,638 Options to 151 Grantees in accordance with the terms of the Post-IPO ESOP
“Post-IPO ESOP”	the post-IPO share option scheme adopted by the Company on June 12, 2018
“PRC” or “China”	the People's Republic of China
“Restricted Share(s)”	restricted share(s), being a contingent right to receive Shares awarded under the 2020 RS Plan
“RS Grants”	the grant of an aggregate of 6,474,864 Restricted Shares to 151 Grantees in accordance with the terms of the 2020 RS Plan

“Shareholder(s)”	holder(s) of Shares in the Company
“Shares”	ordinary shares in the issued capital of the Company with a nominal value of US\$0.00001
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it by the Listing Rules
“substantial shareholder”	has the meaning ascribed to it by the Listing Rules
“US\$”	U.S dollars, the lawful currency of the United States of America
“2020 RS Plan”	the restricted share plan adopted by the Company on June 12, 2020

By Order of the Board
Innovent Biologics, Inc.
Dr. De-Chao Michael Yu
Chairman and Executive Director

Hong Kong, China, December 3, 2020

As at the date of this announcement, the Board comprises Dr. De-Chao Michael Yu as Chairman and Executive Director and Mr. Ronald Hao Xi Ede as Executive Director, Mr. Shuyun Chen as Non-executive Director, and Dr. Charles Leland Cooney, Ms. Joyce I-Yin Hsu and Dr. Kaixian Chen as Independent Non-executive Directors.